

City Council Regular Meeting Transcript – 12/1/2022

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[10:13:51 AM]

>> Mayor Adler: Good morning. We're going to go ahead and begin today's city council meeting. It is Thursday, December 1st, 2022. We're in the city council chambers here at city hall. It is 10:14. I'm going to read some changes and corrections into the record. But before I do that, manager, do you want to mark an important day?

>> Thank you, mayor. Good morning, everyone. It's December 1st, and that marks a thousand days since the state of local disaster related to covid-19 was declared on March 6th, 2020. We have been in the state of emergency continuously from that time with our emergency operations center activated in its entirety. We've had emergencies on top of emergencies, but we have persevered. I just want to take this moment to acknowledge and thank our mayor for taking that very tough

[10:14:53 AM]

decision early in that March 2020 timeframe to cancel south by southwest and ultimately save countless lives. We have the support from this dais for the policies and allocated resources appropriately to keep our community safe. We did keep our community safe. And we are a better community as a result. I want to thank our frontline workers and health professionals, city staff that gave everything and continue to give. Dr. Escott, Dr. Walkes, acm hayden-howard, director Sturup, the countless individuals who have ensured that we are protecting our community. And I want to thank our community. They took care of themselves and their neighbors. So although we are still in the state of local disaster, I did think that the thousand-day mark was a significant enough milestone to pause and appreciate these efforts in this unprecedented time that we're in. Thank you, mayor.

[10:15:54 AM]

>> Mayor Adler: Manager, thank you. There's so many people to thank for the position that we're in. You and I have spent a lot more time together through a quirk in the law that puts the mayor in a different position from a management perspective when we're in a state of emergency, but I had a chance to work with you up close that I might not have otherwise had, and I learned from watching you, the group that was in charge at the emergency command center has been a privilege to watch as they work. The public health officials, our public health directors, both of them have done just an incredible job keeping the community safe, but the entire health department and the city. But it really was all

hands on deck. The council really leaned into it. As a group we've done really innovative things with respect

[10:16:55 AM]

to the response. I don't get many more times to say out loud the statistic that I'm most proud of, taking advantage of it to make sure that everybody knows it and understands it, because as a city, we did things that were different than what other cities did and what the state were doing. And sometimes they weren't easy. And I think it goes in the category of us not seeking out controversy, but not always being able to avoid it, because we did end up in court sometimes with the state trying to push protections. But the mortality rate in the city of Austin due to the contributions of everyone was less than half the mortality rate in the state of Texas. That's an amazing number. If the state of Texas had the same mortality rate that we had in Austin locally, almost 50,000 Texans would still be alive today. We had a community that really leaned into this. It's going to have to continue

[10:17:56 AM]

to do that. You're not marking the end of the emergency here on the thousandth day, but kind of the bucket brigade mentality that our community has had to help one another has been just amazing and a privilege to watch. So, I just reiterate your thanks to everybody involved.

[Applause]

>> Mayor Adler: All right. I'm looking at changes and corrections. And item number 22 is really district 7, not district 10. Item number 33, to ratify execution of an agreement with Austin community college district for a water quality control improvement located at 901 1/2 readily street, the spelling has been corrected. Item number 37, councilmember

[10:18:57 AM]

tovo has added her name as a sponsor. Item number 46, mayor pro tem has added her name as a sponsor. And I appreciate your support on this item, mayor pro tem. Thank you. Item number 60, it's the intent to postpone this item at 2:00 because it's set for that time on our agenda and to postpone to February 23rd, 2023. That motion will be made at that time. Item number 86 being postponed until December 8th, being postponed until next week. We have some items that I'm seeing as being pulled. The consent agenda today is items 1-50 and 86. Again, 86 is being postponed with the consent vote until next

[10:19:58 AM]

week. So, consent agenda 1-50 and 86. The pulled items I'm seeing are item 10, which has to be taken up with public hearing item 54. That's the tirz. Item number 27 pulled by councilmember Ellis. 36 pulled by councilmember pool. 41 pulled by councilmembers pool and councilmember Ellis. 42, 43, and 44 pulled by councilmember pool. We have some late backup in items six, 12, 15, 22, 37, 31, 32, 35, 40, 47, 55, 56, 61, 66, 67, 77, 79, 80, 81, 84, 85, and 86.

[10:20:58 AM]

We have an hour's worth of speakers this morning, each speaking one minute each. When we get to Austin housing finance corporation, I think we have some folks to speak on that. The intent is to have

zoning speakers speak, also with one minute each. And then at 4:00 the intent is to call Austin energy at that point. We have people signed up to speak on that. It looks like we're -- looks like we're going to do two minutes for the Austin energy speakers signed up at 4:00. Councilmember Fuentes.

>> Fuentes: Thank you, mayor. I'd like to be added as a cosponsor to item 48, the scale scaling of the site plan review for middle housing. I want to thank councilmember

[10:22:01 AM]

Ellis for bringing that forward.

>> Mayor Adler: Thank you. Councilmember tovo?

>> Tovo: I have an extremely quick question for staff on 33 and 34. My question is why we're ratifying those items and why they're not coming to us for an initial? So maybe we could leave them on consent and answer that question. And then I do have a question about 45, also a quick one.

>> Mayor Adler: Okay. Quick enough that you think we can keep it on consent?

>> Tovo: Likely, though my question on that is that I'm not seeing report back dates on most of the different measures. I'm not sure if it's all supposed to come back to us at that last report back date that's referred to for stakeholder feedback. And if there aren't report back dates associated with those other ones then we will need to pull that item.

>> Mayor Adler: Okay. Manager, if you could check on that, let's see whether we need to pull that item or not.

>> Tovo: 5 is an item from colleagues.

>> Mayor Adler: Councilmember pool, you might want to take a look at whether there are report

[10:23:03 AM]

back dates on 45, okay? Councilmember kitchen?

>> Kitchen: I wanted to be added as a cosponsor to item number 40. And I want to thank the sponsor and cosponsors for bringing that one. And then councilmember tovo, you had item number 37, just wanted to bring that to your attention, I wasn't sure if you wanted to be added as a cosponsor.

>> Tovo: I do, I'm on changes and corrections.

>> Kitchen: Wanted to make sure it was there.

>> Tovo: Thank you.

>> Mayor Adler: Councilmember Kelly.

>> Kelly: Thank you. This morning, just before our meeting started, I posted to the council message board in response to councilmember Ellis' amendments for the federal legislative agenda, along with a motion sheet. I want to bring that to your attention for review before we get to that pulled item.

>> Mayor Adler: So we don't want?

>> Ellis: So you could review before the item is up for discussion today.

[10:24:03 AM]

>> Mayor Adler: Great. Thank you. Councilmember kitchen?

>> Kitchen: And I also forgot to mention, I wanted to be added as a cosponsor to item number 45 related to solar battery storage, etc. And I want to thank the sponsor and cosponsors for bringing that.

>> Mayor Adler: Okay. Mayor pro tem?

>> Alter: I wanted to check, councilmember Ellis, if you had amendments that were drafted for the legislative agenda that you pulled. I'm not sure I have them yet.

>> Ellis: Thank you. We're still working on that. I wanted to daylight the reason it's pulled is to make sure we have the wording correct for our intergovernmental relations office and to make sure we all knew we had our sheets ready. That's the only reason it's pulled, not because there's anything wrong with the original draft.

>> Alter: I hadn't seen it. You had posted on the message board. I thought maybe I missed something.

>> Ellis: We were going back and forth on do we need to type it into the paragraphs or can we provide a bulleted list, but the topics will remain the same.

[10:25:04 AM]

>> Alter: Thank you for the clarification.

>> Ellis: We'll put that up as soon as it's ready.

>> Mayor Adler: Are we ready to have speakers? One minute each. Why don't you go ahead and call.

>> The first speaker is Richard Smith.

>> Mayor Adler: So we're doing remote speakers first?

>> Yes, mayor.

>> Mayor Adler: Okay. Thank you.

>> Richard, please unmute.

>> My name is Richard Smith, I live in district 8 and I'm a member of the board of adjustment. I oppose the current iteration of the proposed south central waterfront agreement. Among other deficiencies, the proposed agreement waives environmental protections that are intended to protect our lake. Affordable housing contemplated by the proposed agreement is also deficient. Most Austin residents agree we need affordable housing for our first responders, teachers, and

[10:26:04 AM]

service providers, among others, yet the proposed agreement only contemplates a small percentage of affordable housing. I also oppose giving 300 plus million dollars of tax breaks to the developers. But if Austin taxpayers are required to give the developers any money, we must require in return at least 20% affordable housing at 60% mfi. Our first responders, teachers, and service providers should have the opportunity to live on the lake. Thank you.

>> Christopher willet, item 31.

>> Hi, my name is Christopher, board of agenda, item number 31 to approve an ordinance to combat waste. I worked with equal justice in Austin for the last 15 years and worked directly with low-wage workers in Austin. Wage theft has been and

[10:27:05 AM]

continues to be a real problem for workers. For many workers who experience wage theft or the paycheck has a devastating impact on their lives, losing their ability to pay rent, bills, support themselves. The ordinance provides a commonsense approach to begin to address this issue by holding on nonpayment accountable and supporting fair practices of employers who are following the law. In favor of that one. Thank you.

>> Item 31, Jeremy Hendricks.

>> Good morning and thank you for the opportunity to speak on item 31 this morning, the wage theft prevention ordinance. My name is Jeremy. I'm represented by my good friend councilmember vela. I'm with the laborers international union, representing thousands of workers. I'm vice president of the Texas building trades. Trades unions stand in

[10:28:07 AM]

solidarity to support this important item, because Texas remains one of the worst states in the nation for stolen wages. With the passage of item 31, you have the power to help protect these workers and ensure taxpayer dollars are going to businesses that are -- not going to businesses that are violators. We want to thank councilmember kitchen for authoring this and the council for unanimously voting for the wage theft resolution in January. We've had to wait a little longer than we expected. We were supposed to look at this in August, but we're excited that the council will have the opportunity to see this pass today. So, thank you all for following El Paso and Houston in this critical action to protect workers. And please vote yes to send a clear message to bad actors that wage theft will not be tolerated in Austin.

[Buzzer sounding]

>> Thank you for your time, and your vote for item 31, and your service to Austin. Have a great day.

>> Cyrus Reid, item 40.

>> Hello. Good morning.

[10:29:07 AM]

This is Cyrus Reid with the lone star chapter of the Sierra club, expressing our total support for item 40, including the changes and wanted to thank councilmember alter and all the cosigners. Whatever you do on the rate case, either today or next week, this item to update the generation plan is extremely important because where we get our energy from and what cost are also going to impact rates. And making sure that we recommit ourselves to closing the coal plant, but also looking at opportunities under the inflation reduction act, and the changes that are occurring in the ERCOT market make it very important that we relook at the plan again next year. This item is supported by Austin energy and was unanimously also adopted as a resolution by the EUC. I'm just very pleased that you guys are going to make sure that with the new council next year, we'll be looking at this once again.

[10:30:07 AM]

And how do we move away from coal and towards cleaner energy that's hopefully also affordable for Austinites. Thanks so much.

[Buzzer sounding]

>> Amanda Carillo, item 54.

>> Amanda Carillo, and against the cost. The reason I'm not -- against the cost is because people can barely pay rent. Some families, working families, had hours cut and did not work at all during the pandemic. Some have just started working again, and now people will have to worry about if they should use their utilities, especially during the winter season. No one should worry about keeping themselves or families warm or cool at home. Why are you considering this this right now, especially during the

[10:31:09 AM]

winter season? How would you like if your relatives were on a fixed income and had to choose to use their utilities to keep warm during a major freeze? Thank you.

>> Holly Reed, item 54.

>> Good morning, Mayor and Council, my name is Holly Reed speaking in opposition to item 54. I'd like to use this brief time to ask you a few questions about the tax increment reinvestment zone, or TIRZ for the

south central waterfront zone. Why have you come to the conclusion that the south central waterfront area will not redevelop without taxpayer subsidy when the area is some of the most -- real estate in Austin and is already redeveloping without public funding? How is the tirz compliant with the Texas tax code? Developers of other planned unit developments on private property

[10:32:09 AM]

are not given public funding to pay for their infrastructure. Why are the developers on this very valuable property entitled to taxpayer funding? What are the benefits to the public of building infrastructure for a luxury private development? Affordable housing, parkland dedication, and other benefits are already required for the current statesman P.U.D. To receive the added density and high entitlements it seeks for approval. It is misleading for the public to think a tirz is necessary to gain the public benefits that are already required --

>> Thank you, speaker, your time has expired.

>> Please vote against giving away \$300 million of taxpayer funds.

>> Thank you.

>> They need to be used for --

>> Mayor Adler: Thank you very much.

>> Fred Lewis, item 10, 54, and 55.

>> Luxury private development. Affordable housing, parkland dedication, and other -- are

[10:33:10 AM]

already required --

>> Fred Lewis.

>> Mayor Adler: Mr. Lewis, are you there? Okay.

>> Cynthia Vazquez, item 54 and 56.

>> Cynthia Vazquez, please unmute. David king, item 55 and 56.

>> Yes. Over the past eight years, council has knowingly empowered development -- developers and deliberately -- throughout the city by replacing small area neighborhood-level planning with top-down, council knows best land development policies and ordinances. During the past eight years,

[10:34:12 AM]

Austin has become whiter and wealthier. Tens of thousands of low- and middle-income families or families of color have been involuntarily forced out of Austin. A meager number of so-called affordable housing units have been produced, most of which serve families between 60 and 100% median family income. Consider policies and recommendation from the go austin/vamos Austin. Please empower neighborhoods, providing small-area resources and land development tools a neighborhoods can access related to specific needs, such as infrastructure, displacement of low-income families, deeper levels of affordability, and preservation of existing affordable housing and community-based businesses and services.

[Buzzer sounding]

>> Thank you for considering my comments and for your service.

>> Fred Lewis, item 10, 54, and

[10:35:12 AM]

55.

>> Hi. This is Fred Lewis. I'm going to make a few quick points. First, the issue is, is \$354 million in taxpayers' money, is the best use of that money to subsidize this private luxury development, or is it parks, roads, libraries, public safety, etc., for your constituents? You could either be a Progressive or support corporate welfare. The truth is you can't be both. So, those who support giving this away to developers are short-changing their constituents. Second, how did this project morph from 2016, 63 million in infrastructure to \$354 million with no explanation? That's a lot of inflation. And last, you did not have in your preliminary plan the factual basis to support the

[10:36:13 AM]

conclusion that but for the subsidy, development wouldn't occur. Therefore, it is flawed. You will be sued and you will lose.

[Buzzer sounding]

>> What a legacy. Thank you.

>> Tracy Whitt, item 56.

>> Representing district 4. Item 56 -- hello? Item 56 codifies a slate of corridors for substantial reduction from requirements that will amplify displacement pressures and -- closer to your constituents and their homes. The landscape east of I-35. West of mopac, roadways large and medium next to existing residential areas. That is unjust, inequitable, and inconsistent with the imagine Austin comprehensive plan. You -- play ball with architects do not have to win by serving us up on a platter. Vote no or ensure that corridors

[10:37:14 AM]

west of mopac -- number of miles to policy and proximity to residential are subject to this program. Finally, are these corridor designations going to everyone is as the basis for future up-zoning? Maybe you will clarify that so your constituents know how much more is coming their way. Thank you.

>> Katherine tusic, item 56.

>> I'm from the neighborhood, our north border is two-lane manor road. That alone should confuse -- plan welcomes corridor density -- current -- and no one ever -- waking up from the Thanksgiving holiday, I felt ambushed by a proposal. A single bus on manor doesn't make it large. It's a two-lane road, not as wide as most other project

[10:38:16 AM]

connect roads, or other large roads, where also -- compared to highways -- almost exclusively. How are four lanes -- compared to manor? And where are nearly all the east-west central and far west Austin roads, four-lane Windsor, the proposed project connect? Increase with this new ordinance is to let the rest of the council walk all over east Austin again. Councilmember harper-madison is right. It's not equitable in east Austin. I respectfully ask you all, remove manor from the map -- medium or vote no. Thank you for listening today.

>> Lydia zegman, item 56. Lydia, please unmute. Patricia dukiat, item 56.

[10:39:27 AM]

>> Dukiat, neighborhood in district 1. A small residential neighborhood bordered by mlk and manor. I oppose item 56 on compatibility changes. Changes to the proposal have been proposed in just the last

few days that deserve more time and attention for community members to understand. I'm not confident the proposed plan is equitable. Questions posed by mayor Adler and councilmember harper-madison indicate significant changes are being considered to what was proposed. Community members should have sufficient time to consider the effects of those changes. Also, councilmember kitchen has asked if folks from the equity and innovation offices have reviewed the proposal and determined if affordability is achieved. City staff responded that the item was on an accelerated timeframe as the primary reason for the reviews not being conducted and I find that unacceptable. Again, I oppose item 56 and ask

[10:40:27 AM]

you to vote against it. Thank you.

[Buzzer sounding]

>> Alexandria Anderson, item 56.

>> Good morning, mayor and councilmembers, my name is Alexandria and I am speaking in opposition of item 56 on the agenda. I have spoken with several community members over the last several months -- weeks, actually -- to everyone I have spoken to is very concerned that this type and this change, and I request a postponement. We support a compromise with a six-month pause. A working group with community can be convened. The city of Austin should not grow at the expense of generations of local residents, many who have already been displaced. And changes like these will cause the rest of these families to have to leave Austin. The process of notifying the community was not appropriate. The compatibility standards and

[10:41:27 AM]

parking requirements on certain roadways were incredibly vague. Once community members understood, they are concerned. This notice was not sent out in Spanish or any other languages our Austin neighbors speak. The amount of affordable housing is not appropriate. The amount of additional building standards and developers would be able to build. November 8th --

>> Thank you, your time has expired.

>> Multiple community members were in tears trying to notify community leaders of the --

>> Thank you. Bill mcconnolly, item 86.

>> Good morning, Mr. Mayor, I'm executive director of transit forward, a 501(c)3 in Austin that does education work regarding project connect. We are very pleased that item 86 has been postponed, as our members have some serious concerns about it. We'll look forward to talking

[10:42:29 AM]

about that next week. However, we do support item number 56. We believe very strongly that more housing near transit is better for affordability, better for our workers, better for our city in general. And since Austin has some of the most restrictive compatibility standards in the state of Texas, relaxing these restrictions along transit corridors will allow for more folks to live near transit, allowing for a better transit system and better access and affordability for our folks. So we urge you to pass item number 56 and we appreciate the time that you're giving on item number 86. Have a great meeting, and thank you so much for your time.

>> Lydia zegman, item 56.

>> Good morning, speak against item 56 as well. What we've seen in the past couple of years is the city council continuing to give more

[10:43:30 AM]

and more carte Blanche to large developers and what we've seen is we have not gotten the affordable housing we've promised. It's become a buzzword to cover up for favors from developers, tax give-backs, and corporate welfare. We ask that you consider giving more incentive to smaller areas and smaller developments and stop giving away the entire city to large developers. At this point in time, we can see that what's happening is the city has been taken from keep Austin weird and everything we loved about it to let's make it bland and not distinct and have buildings and traffic everywhere, as long as the developers are happy and make the most money they can, funded by the taxpayer. This is going to be a legacy meeting for some of you. Ask you to do what the people want. We're not getting more housing out of this. You're granting P.U.D. After P.U.D. While prices go up and up. We've watched the building of

[10:44:31 AM]

the Loren go up with apartments that are over \$4 million, supposedly approved --

>> Thank you, your time has expired.

>> With the buzzword affordable housing.

>> Mayor, that concludes all the speakers that we had call in. I'm going to switch over to in person.

>> The first speaker for item 10 and 54, Susana Almanza, followed by Sarah Campbell.

>> Good morning, mayor, and Austin city councilmembers, I'm with P Oder, urging you to vote against the statesman P.U.D. It doesn't provide housing for the poor and does not protect lady bird lake.

[10:45:32 AM]

P Oder opposes the tirz. More development by wealthy contributes little to the communities in which they stand, but they take up space, force up cost, and push others further out of the urban core. With the over-accumulation of luxury for the wealthy, the hyper-commodification of housing leads to new forms of risk, unaffordability, and instability for everyone. The tirz does nothing to protect the most vulnerable in an increasingly gentrifying city, recreating the dynamics of colonization. We oppose the tirz and we oppose the P.U.D. For the statesman. Thank you.

[Buzzer sounding]

>> Sarah Campbell, item 10 and 54, followed by Wendy Todd.

>> Good morning. My name is Sarah Campbell. I'm the chair of the planning and zoning committee of my

[10:46:32 AM]

neighborhood association, south river city citizens, in which the statesman project is located. I am actually going to go ahead and speak to you on items 10, 54, 83, 84, and 85, all of which are related to the statesman project. I'm opposed to the tirz and to the project as it is currently formulated for all the reasons that have already been brought up. Personally, I'd like to thank publicly bill bunch for for actually having the energy to go through this convoluted document and point out all of the problems with it and raising -- further raising our awareness. Thank you very much. Bye.

>> Wendy Todd for items 10 and 54, followed by Susan Spataro.

>> Good morning, Wendy Todd,

[10:47:35 AM]

district 9. Thank you to councilmember tovo for your service to our district and to the mayor, and to councilmember kitchen for representing out Austin. I'm here today again to ask for further dissection and investigation of the tax increment reinvestment zone for the south central waterfront. As you know, I served on the stakeholder outreach group for the south central waterfront. I also serve on the south central waterfront advisory board. This process is out of whack. To set up a tif or tirz with all the P.U.D.S coming one after another is not going to guarantee any community benefit, and it is a 40-year commitment to divert tax dollars from the city to one area. So, for what purpose? For what purpose --
[buzzer sounding]
>> Will we do this?

[10:48:36 AM]

Thank you.
>> Susan --
>> Kitchen: Mayor? I neglected to mention this earlier, but I was curious if the time allows us to allow up to three minutes for 55 and 56, because they're just coming forward. And I apologize, I didn't look at how many people. Does time allow for that?
>> Mayor Adler: I don't think so at this point, because we've already had people talk.
>> Kitchen: All right.
>> Mayor Adler: Go ahead, please.
>> I would like to speak in opposition to 10 and 56. I mean, the law is clear and that is a tirz is for blighted areas. This is not a blighted area. This is to give developer a better deal. And at the expense of everyone else. There's nothing really subtle about this. I don't think we need to do it. I think it's a disservice to everyone that lives here. In terms of 56 compatibility, I

[10:49:37 AM]

think that's a huge issue. And we are pretending that poor people that live in the area of these toddees that we're going to help them by getting rid of their homes and putting multifamily dwellings there that make a lot of money for developers, and then don't allow parking, and force them to ride public transportation. I don't really see this as a benefit. And you know what? When that's done in six or seven years we're going to say you know what, we have segregated our community and we will have. Thank you.

[Buzzer sounding]
>> Gus Peña and then followed by Alex stringer. Mr. Peña will be speaking on items 26, 47, 49, and 56.
>> Good morning, my name is

[10:50:39 AM]

Gustavo Peña, chair also of presidents -- sorry, veterans for progress. We are 35,750 United States Marines, air force, army, and Navy. And especially our women voters who have concerns about item number 31. And it's been stated, approve an ordinance, etc., etc., about wage theft standards. We need to get that help in place. And the second is housing, approve a resolution relating to ceiling site plan, review requirements, etc., number 48. And I will leave it at that because I need to go to the hospital. But I just want to let you know, even back in Bruce Todd, may he rest in peace, things his administration is where everything started to building affordable housing. We don't have any more

[10:51:39 AM]

affordable housing.

[Buzzer sounding]

>> We just don't have it. Mayor and council, please remember, we need true blue affordable housing. I said that when Bruce Todd's administration. So anyway, thank you for allowing it. I want to thank you all, helping y'all. I'll see y'all, good lorded good lord willing, next week. Thank you very much.

>> Alex stringer, item 27, followed by Fabiola.

>> Good morning. I'm speaking in regards to item 27 because we need to fight disinformation and we need to do it now, all right? Look, Steve, I am scared, okay? Ever since that right-wing fascist Elon Musk bought Twitter, our democracy has been literally hanging on by a thread. Twitter used to be a safe space for marginalized community and now it's a haven for Maga terrorists. Look who they're letting back on -- Andrew Tate, Kanye west,

[10:52:41 AM]

and Savannah Hernandez. Just look at them! They are the physical embodiment of white supremacy. And Donald Trump, he doesn't even need to tweet, because his presence is literal genocide. And that's why we need to cancel Twitter, because a free and open internet is textbook white supremacy, worse than the holocaust, worse than January 6th. My favorite website has become a cesspool for conspiracy theories. Just look at the way Maga talks about Jeffrey Epstein, he didn't kill himself, his friends want you to wear a mask and get vaccinated, because Jeffrey's friends, they believe in science.

[Buzzer sounding]

>> When they make light of his suicide you're making light of mental illness because he did kill himself because --

>> Mayor Adler: Thank you.

>> Persons are members of the lgbtq.

>> Mayor Adler: Let's go ahead. Thank you very much.

[Off mic]

>> Fabiola barrette, item 31,

[10:53:44 AM]

followed by Gary Warren.

>> Good morning, mayor, mayor pro tem, and council. My name is Fabiola, I am the Austin policy coordinator at workers defense and I am testifying in support of item 31, the wage theft prevention ordinance. Thank you so much, councilmember kitchen, her staff, and the cosponsors. Our members and coalition partners have worked for over a year on this ordinance, participating in community conversations about civil rights, stakeholder discussions on this particular item, and we are really proud of the ordinance that is in front of you today. A study by workers defense project of the construction industry in Texas found that more than 1 in 5 workers reported being denied payment of their work. One out of three who tried to recover wages were retaliated against. This provides support for

[10:54:44 AM]

workers by referring cases to authorities and provides a form of accountability for abusive employers. This ordinance is a huge step forward towards preventing wage theft in our city and I hope that you will stand with working people of Austin and vote yes on item 31. Thank you.

[Buzzer sounding]

>> Gary Warren for item 31, followed by Lydia Christina Ortiz Perez.

>> Good morning, mayor and councilmembers. My name is Gary Warren, political director for the carpenter's union, speaking in support of agenda item number 31 by councilmember kitchen. We appreciate her and her staff and all the hard work they've done on this wage theft ordinance. This ordinance addresses wage theft, a practice that has unfortunately continued to be a business model for far too long. It will help responsible employers, taxpayers, and

[10:55:46 AM]

workers in Austin. Law-abiding employers are undercut by bad actors and can't compete with those who cheat. Our largest signatory contractor in Texas circulated an internal memo throughout the organization stating that this wage theft ordinance is something that everyone in their organization should be made aware of. The general manager of this Austin branch contractor contacted us regarding the ordinance and in his email, he wrote, "This is good." And that is our largest contractor in Texas.

[Buzzer sounding]

>> I ask that you vote in favor of item number 31. Thank you for your time.

[Coughing]

>> Mayor Adler: Thank you.

>> Lydia Kristina Ortiz Perez, item 31, and then Samuel kirsch.

>> Hello, I'll be interpreting for Kristina today.

[Speaking Spanish]

[10:56:53 AM]

>> Good morning, councilmembers. My name is Lydia Perez. I am a leader of workers defense and I work cleaning private properties and local commercial buildings. I'm here in support of item 31, the wage theft prevention ordinance.

>> [Speaking Spanish]

>> For more than a year, the workers defense membership has worked to hold employers accountable and bring justice to workers. Members are excited to see that database was included in the ordinance. This will help many workers decide whether they would like to work with someone.

>> [Speaking Spanish]

[10:58:03 AM]

>> Wage theft is a bigger problem than we can imagine, larger than all forms of theft. Employers believe immigrant workers ignore the fact that we have rights. We all have rights no matter what our documentation status is.

>> [Speaking Spanish]

>> For these reasons, membertest. Item 31 31.

>> Samuel kursh followed by William bunch.

>> Good morning. I'm a resident of district 5.

[10:59:07 AM]

According to the house committee on education and labor employeeings steal an estimated 15 billion dollars a year. In comparison burglary and autotheft compromise 13. If you want to take crime seriously,

you need to take serious action on wage theft. I was a line cook for six years and the restaurant industry has normalized wage theft to an unimaginable degree. You're supposed to work through meal. You're supposed to work off the clock because that's what everyone is doing. Please vote yes on item 31. Thank you very much.

>> William bunch for item 36, 37, 39, 48, 56. Followed by Roy wayly.

[11:00:18 AM]

>> As a point of order, do I get one minute for each item or for all.

>> Mayor Adler: For all.

>> That sounds like a public hearing to me. You're listening. I can tell. You know, last December when you voted to create the tirz not a single one of you believed this was a blighted district. None of you believed the official finding you made that this area would not develop in the reasonably foreseeable future unless we put a bunch of tax-payer give aways. You didn't believe it then. No one believes it today and yet you're going to sit here and say it again. You're directly taking the budget -- escalated from 56 million to 354 million.

[11:01:21 AM]

All that inflation is going into private, not public benefit. You're taking money directly out of the general fund and services for your own districts. This is your pud vote. You're the lame duck council, just like the Barton creek pud. There they were blessed with a council member who spoke clearly and spoke up and led. Robert barnstone. Spoke clearly. We need one of you to speak up loudly and clearly and say how horrible a scam this is, and the rest will follow. If you don't follow, you're going to suffer from not casting a legacy vote for this community but a scarlet letter vote that you will live with for the rest of your lives.

>> Mayor Adler: Thank you.

>> Please wake up. Nobody believes this bull shit.

[11:02:25 AM]

[Applause]. .

>> Roy wayly.

>> I'm con ericer -- conservation chair or the Sierra club. I guess this council will go out continuing to ignore state law and give citizens the right to speak whatever designated time is given for each and every item. It's illegal. You continue to allow that. I am offended by the tirz and I'm speaking against it, and I hope y'all will all vote against it because it is robbing your district of money that your districts need. We don't need to be subsidizing the fifth richest family in the America. If they can't build it without

[11:03:27 AM]

our money, then don't. It is not a blighted area. This is prime real estate. They might have to build a different project, but they couldn't -- they shouldn't be able to get away with stealing our public parkland. One acre of the park is under water because it goes out to a non-existent boardwalk. Yes, we want parkland, but we want it to be something we can use, and you let them get away with that. Please stand up. Please say no. Please say we're going to stop giving tax money to billionaires and we are going to protect the parks in our own district. Thank you.

[Applause]. .

>> Carol bevitsky.

>> I'm here to speak -- first of all -- in favor of item 36, which is a resolution

[11:04:28 AM]

concerning the standards that the city would follow in developing city-owned property. It's a measure that's been proposed by council member tovo. I think it's a good document and I especially like the affordable housing requirements in here which are much higher than anything that we are seeing happening today, and I believe that we need to concentrate on affordable housing and apparently other people do too because they've spoken about it today. Item number 46 is a resolution concerning enrollment in -- goals for enrollment of low-income family ins the customer assistant program at Austin energy. I think this is a very needed step to take, but I also believe that this would be improved by some regular reporting requirements to the oversight committee. And will sum up by saying a few

[11:05:28 AM]

years ago I chaired a low income advisory tax force that made a number of recommendations that were never taken seriously regarding what kinds of programs and services should be available to Austin energy customers. I recommend somebody take a look at that report because they're still relevant to every single sish shoe that's -- issue that's been raised to the customer assistance program. Thank you.

>> Mayor Adler: Thank you.

>> Kaeva white. Paul Robbins? I don't see him. Scott Johnson, item 47.

>> Item 47 -- thank you for

[11:06:29 AM]

your support. This is a resolution to change the public school energy assistance fund, to raise awareness. We've done well with veteran -- thank you, mayor. The robust and compassionate efforts should be lauded. One of the opportunities here really is awareness. Hopefully donations will flow -- in part due to the conversations we have today. But this fund is not on the bill yet, so when it is, I'd encourage you all to continue adding money for customer assistance program, which by the way businesses can donate money for that and I don't think they are. And also the parks and libraries fund, which is on there, which helps families pay for camps in leagues that can't do so otherwise. And what -- what's important to know is that right now in the

[11:07:31 AM]

past 1500 homeless students were in aid and more regionally. Thank you for your support and best wishes.

>> Vela: I want to say I appreciate your work on this and my understanding is the funds will go to support homeless students at aid, po ten -- potentially through collaboration.

>> Hopefully Susan mcdowel is here and will speak but if not they're doing work. Austin Travis county integral care -- they've -- within Austin aisd they make referrals but it's a fee for service model where people aren't turned away but obviously we

[11:08:33 AM]

need to continue as parents, as citizens to raise the awareness that it's fine and it's okay for your sons and daughters and children and adults to seek out counseling for mental health challenges.

>> Vela: Absolutely. Again, mayor, I appreciate it and I would like to be shown as a co-sponsor on this item with your permission.

>> Mayor Adler: Welcome aboard board. Scott, thanks for your assistance.

>> Scot turn erturner. Followed by Rita Wallace.

>> I want to flag my amendments for 27 have been e-mailed out. I wanted to make sure people knew that and I saw one from council member Fuentes and council member Kelly's are already out there.

>> Mayor and council, I'm

[11:09:35 AM]

opposed to items 55 and 56. Compatibility is the biggest limiter of the housing supply. It's not legally clear which lots this applies to. Sounds like there will be a suit over it. Staff says it won't work and I think staff is right. Please postpone this item. Take the time to get it right. Tp residential and commercial bonus won't work for the same reasons. The vmu bonus hasn't worked for over 13 years. Why would it work here? Take the time to get it right. These better than nothing proposals will not solve the crises. They would have by now. These items are important. Please take the time to get them right. Thank you.

>> Vela: Scott? Mayor, if I may? Just a couple -- what in

[11:10:35 AM]

particular would you be looking for in terms of more positive changes for the compatibility item.

>> If you look at the map it's not equitable. It really only applies to a small area. There's really no indication of how much impact it's going to have other than the (indiscernible). I think finding the time to see if it's going to work or not would make a big difference. We need to get it right.

>> Vela: Thank you. Appreciate it.

>> Rita Wallace, followed by Daniel kag man.

>> I mostly wanted to show up in support of item 48. This is a great first step to getting more missing middle housing and I wanted to thank you in person, everyone who's worked hard on it. Thank you so much. The same issues we bring up are important here.

[11:11:36 AM]

One is consistency, both with regard to getting things done in a time frame. Second is simplicity. We need an environment where the goal is to make things easier. Everything is continually getting more complicated. For the change to work it needs to be easy to build a three-plex as a house. There seems to be consensus on only one thing -- that there should be more housing on the corridors. Take into consideration comments to change compatibility rules to increase the production of housing. Thank you.

>> Daniel cagleman, followed by Yvonne Wellman.

>> Thank you for the

[11:12:36 AM]

opportunity to speak. I want to say thank you to council member Ellis. It's a much needed reform that I hope will lead to the creation of much needed middle housing. I'm glad to see council trying to make forward progress of land use reforms and that you are giving attention to the dire need for housing in

the city. I hope you take recommendation from the planning commission on these items seriously. They will increase housing capacity more than the current proposals. I hope we see these developments as a starting point in a broader way. There are affordable -- there are benefits of ending exclusionary zoning and parking mandate practices. We stand to benefit from a more connected city.

[11:13:36 AM]

Land use policy doesn't have to continue forever. We can do better. Thank you so much.

>> Yvonne Welton, item 49. David Hickson, item 54? Laura Templeton. After Laura will be Mary Arnold.

>> Good morning. According to an Austin poll 57 per cent of Austinites think we are going in the wrong direction. There are other reasons people

[11:14:37 AM]

are dissatisfied with the local government. Now is not the time to discuss those. The issues concerning us today is a blatant disregard to be responsible for the public's money. Giving the tax dollars to help fatten their margins. You weren't elected to help fund real estate deals. You were elected to provide public services to fix our roads, to ensure our utilities work, to keep our city clean and affordable. I ask that you vote no on item 54. By voting no you will help the people of Austin and not the people who have a personal financial interest in this deal. The Austin -- second downtown

[11:15:38 AM]

can be built without taxpayer money funding part of it. Those of you who seek reelection, this vote will follow you.

>> Mayor Adler: Thank you.

>> Those of you who --

[microphone cut off].

>> Mayor Adler: Thank you very much.

>> Mary Arnold.

>> Good morning, Mayor Adler, members of city council. I have been privileged to go to council meetings for many years now and one of the very important things that was done in the 1980s was to create a water-front planning effort to

[11:16:42 AM]

give itself a little bit more than just the town-lake trail but to make the river and the the water front belong to the people and to be an important part of Austin. The tirz is not necessary. It's not understandable. Even the recommendation for action gave -- no real recommendation from the city staff, so please do not approve the tirz.

>> Nancy Miller, item 54, followed by Jackie Brooks. Jackie Brooks?

[11:17:45 AM]

Speaking on item 55 and then Rick Kreevoniak.

>> Hi. I live in D-4. I appreciate the efforts on item 55. My feedback will follow a yes-and approach. My biggest concern is the pal lance between housing and commercial uses. As this amendment reads to allow commercial under certain conditions I would ask you to consider three items. If -- consider

outcomes versus intent of the ordinance I'd ask you to reference Windsor village as a case study. The outcome of the application has not lined with the intent.

[11:18:47 AM]

It's critical to fix this scale. Consider the Flum as a condition. Allow an opportunity for the community to participate in evaluation of locations. Also consider the equally concerning affordability and how that affects the market of those areas. Thank you.

>> Rick kreevoniak on 55.

>> The Austin city council adopted neighborhood plans and each has a Flum. Numerous rezoning often accompany the adoption of neighborhood plans, often proposed by city staff to bring noncompliance uses into compliance. Usually commercial since the city was reluctant to down zone. Under the zoning guide

[11:19:48 AM]

commercial districts -- will residential uses be allowed in all those? Neighborhood rezoning gave the option of adding mixed use where they determined it would be okay to have mixed-use -- those are fair game for 55 but a proposal to allow residential uses on any commercial zoned property should be considered a change to the Flum and treated as such. Thank you.

>> Cindy reed for 55 and 56. Then Mario Cantu.

>> I'm speaking about compatibility and parking. I feel like we're going to look back at this rush decision as

[11:20:49 AM]

our freeway moment -- the freeways that killed communities of color. The blanket up zoning, removing parking will continue to push and destroy black and Latino communities. Look at the east side. I know this because I'm from here. I've also lived in Washington, D.C. And New York and I know compatibility is important but we need to do it with community input. We need people that know the neighborhood on a street-by-street level. My community -- there are six multifamily projects going um. One is affordable, which is a win. The rest are all luxury. That makes it not affordable. We need to go from changes with a broad brush to with precision. Lastly, removing parking for laborers in the working class and people who are not able-bodied -- people who make

[11:21:51 AM]

this city tech -- carpenters,s people with families, those people need parking. Nothing on the extreme is ever good. I think we can come with a balance. We don't need two or three spots per unit but we need at least one spot for families and laborers that work --

>> Mayor Adler: Thank you very much.

>> Mario Cantu on 55 and 56. Heresa voier? An 55 and 56. Then zackry sayer.

>> I'm speaking on 55 and 56 because they have the potential to positively impact affordable housing. I'm the owner of a development

[11:22:54 AM]

company. I've worked in the housing industry 12 years. I helped write technical analysis on proposed changes to compatibility with blueprint goals of producing more affordable housing. Affordable housing relies on programs and production of all housing. We can't rely on housing bonds alone to buy our way out. When folks move to Austin they're not bringing that you are houses with them. We've continued to pursue job growth at the same time. We must craft land development policies to encourage more housing. You have the opportunity to pass these items. While I'm in support of them draft the final language --

[11:23:54 AM]

take bold action for a more affordable future for Austin. Thank you very much.

>> Mayor Adler: Thank you.

>> Zachary Zare. Then Greg Anderson. Greg Anderson on 55 and 56.

>> Good morning, mayor, council members. Thank you for being here today. If you work full time you should be able to live here in the city, says a mom of an AISD school district to me out in the lobby an hour ago. We know compatibility cost more. It's great we're doing a little. It's obvious we're not doing much. If you were moving the needle from compatibility we wouldn't be going from the worst

[11:24:55 AM]

compatibility standards to remaining the worst compatibility standards. Hopefully you'll be able to -- willing to look at this in the next council. It will continue to cost us more housing on the books. We have to do better and we can do better. Excited to see what we can do next. Thank you.

>> Joe Connolly and then Stewart Hirsch.

>> Mayor and council, my name is Stewart Hirsch -- stew from district 2. I'm here to encourage you to adopt planning commission regulations on 55 and 56. The reason is simple -- I read from the strategic housing

[11:25:57 AM]

blueprint that you've adopted. In February 2015 the Martin Prosperity Institute named the Austin metropolitan area the most economically segregated area in the United States, stating it's not the gap between the rich and poor that drive segregation of the super wealthy to isolate themselves from the less well to do. I reported to work here at Second Street 45 years ago this past month and I am telling you I earned \$7 an hour as an employee at the building inspection department and didn't have an affordability crisis like we do today. We got ourselves in this. I think we can get ourselves out of it. Please vote in favor of the planning commission recommendations. Thank you.

>> Mayor Adler: Thank you.

>> Janice Booko

[11:27:11 AM]

W.

>> Thank you for your service during the pandemic. We've lived on Cameron road over 25 years. My husband is a musician. I work all the time with two boys. We need \$13,000 to afford this affordable housing that may displace us. It took me hours to understand the notice letter -- no explanation, no translation. It will displace people and damage community trust. This is inconsistent with the recommendations. On the agenda item you'll see a community back-up. We want to review a revision

process that includes the community, city, cross sector experts in the recommendations already made with tax-payer funded research.

[11:28:11 AM]

With all the energy and dedication of people giving everything we have to this community. Please hear our plea that you take this pause.

>> Kimberly coalhouse. Then Nadia boheart.

>> I'm a licensed architect and realtor and have lived in district 9 for 20 years. The great myth is more density on the corridors provides more affordable housing. Instead we consistently see more 2 and 4 million dollar condos. I see no safeguards of this happening again. Lawyers and developers got only one minute to speak. Seven days is not enough to get my head around amendments that will affect all of Austin --

[11:29:15 AM]

not just the people who live adjacent to the corridors but everyone whoo uses them. This is not giving notice. Had you given notice to your constituents? Have you communicated the impacts? Have you used the amendment to get the most for your constituents? Who benefits by rushing? The lack of transparency is astounding. Please vote no on 56 and postpone until you have negotiated better for your districts. Thank you.

>> Nadia Barbo. Then Peter slowvak.

>> Hello, council members and mayor. I'm resident of district 1. I am reading a statement from district 7. She couldn't be here today. I oppose 55 and 56. Federal trfgs money will not

[11:30:16 AM]

reign down just because the city makes changes to boost housing density. These proposals give priority for transit-oriented development and distract and delay the creation of a functional design for project connect that corresponds to the stream of funding. It is false and misleading to suggest that creating greater density with a meager 10 per cent of affording housing units will provide mass transit by 2030. Increased density is one component. First the real project must have a stream of funding sufficient to meet the funding requirements and the project is reportedly about 5 billion dollars short. These changes require the city to follow fair notice in allowing property owners to file proterss. The notice sent to a limited number of persons fails to provide specific information to

[11:31:16 AM]

enable them to understand the changes. This lacks information about how to protest. It is only stated in English, excluding esl homeowners. This will drive people and families out of neighborhoods and displace rez dentses from communities of interest. This approach does not alleviate traffic flow. Traffic in Austin and I-35 will not improve. Vote no on items 55 and 56. Thank you.

>> Mayor, if I could ask the staff a quick question. Do we have a different sounding timer.

>> I think?

>> Council member pool, the board froze up for me. I did it manually on my phone. Sorry about that.

>> Okay.

>> I'm going to see how we do. Something is going on.

[11:32:16 AM]

>> Mayor Adler: At the very least, next time I will recognize the ring. We were all up here checking our phones.

>> Thank you. Thanks, mayor.

>> Next speaker is Peter slowak.

>> Hello. I am a resident of district 7 and a licensed architect in the state of Texas aligned with client interest. I am in full support of the ordinance but would ask city council to consider revisions. The current language ignores the planning commission vote to consider the red line. This is a missed opportunity to support existing construction stations which are anticipated to be shared with new light rail lines. Current language ignores changes -- maximum height is capped at 60 feet or left. Vmu-2 may now reach -- with no

[11:33:24 AM]

interim provision for vmu 2 bonus the city will lose the opportunity for density and affordable. Existing zoning is meant -- thank you for your time.

>> Vela: Mayor? Sir? Just a quick clarification. So the transit or yentled development -- tod's around the red line are capped at 60 feet.

>> Yes. There are currently three existing. The best example is the Lamar Justin one which is up on crestview. That will be shared with the blue and Orange lines and with the affordability provisions in place maximum height is 60 feet. So if -- you know, if you're at 15 per cent affordable --

>> Vela: Thank you very much. I appreciate the

[11:34:25 AM]

clarifications.

>> Thank you.

>> Alice glasgoe for 56. Then Bryan Rogers.

>> Good morning. Alice glasgoe, speaking as a proponent for more housing. I ask you to support planning commission recommendations for 56. I was privileged to work for the city of Austin and I was one of the first employees hired outside 1984 and I -- the first of employees to implement the adopted amendments to the city code -- the zoning we have today and the compatibility standards were part of those amendments. I urge you to approve the changes that are on your agenda today. However, I would encourage you to allow staff to come back

[11:35:25 AM]

with a second phase amendment that looks at the entire city. The amendments I worked on projects -- in 1986 they are the same, complex. Difficult to understand then. Difficult today. So phase two for the entire city. Thank you.

>> Mayor? May I? Thank you. When we talk about that institutional knowledge, right, you're making reference to literally the original code. And I can't help but feel a little like the twilight zone that you're standing here talking to us today and I can't imagine the conversation is that much different, in which case I am trying to reconcile with the problematic components of what I see before us today and really trying to find myself in a place where it feels -- where it feels appropriate to take your advice, which I think is backed

[11:36:26 AM]

with data and factual information when it just feels wrong. So when you say the phase two approach, I am curious what that would look like. How do you -- how do I, rather -- it isn't a question so much as me laying out my consideration -- how do I look at my constituents and say, yeah, I think this is bad. But this phase two thing will happen -- I guess I'm having a difficult time really understanding how you offer any degree of certainty with a phase two, given our history as a city. I mean, we talked about something at work session the other day that mayor pro tem coal brought forward when she was on council. That's years later. I guess the question is, given your subject matter expertise, what would you feel confident

[11:37:27 AM]

would be an achievable phase two execution time line.

>> Well, I can't speak to the time line other than staff has asked you to allow them to -- well, to look at the entire city. So today the amendments you have today look at certain corridors. However, when I think of phase two, to look at the rest of the city, the balance of the city as far as compatibility standards, what they look like to accommodate more housing. If we've not amended the code in so many years we are going to have these problems. We encountered them when I was on staff. We encounter them now that I'm in private sector. A time line would depend on how much time the city council directs staff to explore those items, but the entire city needs to be looked at and addressed and not just the corridors because you still have problems. We have to take cases to board of adjustment or planning

[11:38:30 AM]

commission for variances. If we're looking to look at adding more housing, different amendments help and the compatibility standards have been around since '86 -- they remain the same. We know what the facts are. They do provide protection for homeowners, but we should just take a look at all of them for the entire city and come up with an approach that is a win win-win for all.

>> Harper-madison: I appreciate that. I think it's appropriate to save the question for staff. But I have a question about what a viable time line for a phase two approach might look like. I also would like advice from staff on how to speak to Ms. Glassgow's department -- in the '80s. We're talking about compatibility stuff today that

[11:39:32 AM]

people are frustrated -- you've had since the '80s. There are people in this room who weren't born yet. We've had time to take a look at the exact same thing as what she said. It's not new. I have problems with how it manifests in east Austin. Just to put that on your radar. I would like to dig into that. Thank you, staff. Thank you, Ms. Glassgow.

>> Vela: Mayor? Briefly, council member harper-madison, I will work on phase two with you. I agree with your sentiments, with Ms. Glassgow's comments and I look forward to continue working on this issue.

>> Harper-madison: I didn't say I was committing to me. Don't make a liar out of me. I have questions, is what I said.

>> Bryan Rogers.

[11:40:34 AM]

Item 56.

>> I fully support item 56. I'm a corridor owner and I and other corridor owners have been hamstrung by the overreach of the definition of triggering property. I have an example -- a textbook example of a property owned on south Lamar. You'll see the circle around mf-3 -- a friend of mine cashed out, made a bunch of money. So that tail wags the dog of what can happen with the cs properties that you see. Also back up to a cemetery zoned sf-3. I don't think anybody in there is going to have anything to say about that. May they rest in peace. Some people say it's a marginal increase but I think if you were to talk to people like me who were affected by this overreach of that definition you'll find there's a lot of hidden properties, hidden units in the density along the corridors. I urge you to support 56.

[11:41:34 AM]

Thank you.

>> Mayor Adler: Thank you.

[Buzzer].

>> Paul Robbins on 46.

>> Council, this presentation is not for -- it's for citizen communication. Council, I support this item, but I do want to weigh in on a couple of nuances of it -- important nuances. One, do not -- please do not -- please do not raise the income qualification to 450,000. If you do that, you will probably enroll several hundred relatively wealthy people who do not deserve assistance for the poor. The other thing that I'll advise you of, I support this

[11:42:41 AM]

item but am reserved about -- I've lost my train of thought. That will be my speech. Thank you.

>> I'm sorry. Mr. Robbins? I don't believe I caught what item you were talking about.

>> This is the item to increase customer assistance program?

>> Thank you. >>-- Funding. I apologize for my absent mindedness. I spent a long time writing my speech for citizen communication.

>> That concludes all the speakers we had registered for in-person consent. I have two for ahfc. 13 minutes to do a little work before we call for noon speakers.

>> We have someone who has shown up who we called earlier, if you would like to hear from them now. Mario Cantu is here or 55 and 56.

>> Mayor Adler: Okay. Mr. Cantu.

>> It's kind of ironic I'm the last one to speak. So I wanted to speak briefly about communication. I was around when code next started at 1 million dollars and that exceeded a budget P high up. We're kind of in the same seat as we are in today when it

[11:42:41 AM]

>> Mayor Adler: Okay. Let's go ahead now here at 11:43 and recess the Austin city council meeting. Let's go ahead and convene the

[11:43:43 AM]

Austin housing finance corporation meeting on December 1, 2022. Time is 11:43.

[11:47:52 AM]

I'm going to adjourn the meeting of Austin housing finance corporation. I'm going to reconvene the Austin city council meeting here at 11:47.

[11:48:53 AM]

comes to communicating. The hispanic community -- we need to engage with them. I hold accountable for the hispanics on the dais as well in making sure that takes place, that we communicate with all parts of Austin. I want to make sure we do that. Number two, if you look at the calendar set by the city, there were cancellations. I just don't understand how we had voting on the same day as planning commission with conversations that individuals couldn't be here to have those conversations and communicate on the same day as voting. You know, we went to Iraq. In Iraq we had that purple finger. That's important, how our military represented us, and I think we need to represent our citizens. Thank you.

>> Mayor Adler: Thank you. Do we also have Chris page

[11:49:53 AM]

here? I think he was called earlier, stuck in traffic. And he's asked to speak.

>> I don't have him registered. I know there's a couple people who have asked.

>> I did call and was stuck in traffic.

>> Mayor Adler: When did you sign up to speak? Did you sign up by 9:15.

>> I was in traffic.

[Indiscernible].

>> Harper-madison: Mayor, if I may, if it's appropriate, I'd like to hear what Mr. Page has to say.

>> Mayor Adler: Go ahead, Mr. Page. Thank you, council member.

>> Chris page, district one, president of the homeward heights neighborhood association. Here speaking on 56. If adopted under its current structure, oak springs road

[11:50:57 AM]

would be wrongly designated as a large corridor. According to staff the only rationale for this designation is bus route uses our two-lane residential street fill with homes and elementary school to cut between. I asked residents -- zero agree it's categorized as a large corridor. The character of the built neighborhood, the IdC rewrites, critically would eliminate the only projection in title 25 for the steepest and eloquent topography.

[11:51:58 AM]

Please take community input. Thank you.

>> I don't have anyone else registered but there are two individuals who would like to speak, mayor.

>> Mayor Adler: Call them up.

>> Sandy Ramirez and Walter Horton.

>> Mayor Adler: We'll go ahead and hear the speakers because we gave the last person the ability to speak.

>> Thank you for allowing me to speak. I was here at city hall but forgot to last night and this morning didn't make it in time. I'm here to speak against the wasteful spending by council. I'm against 10, 40, 54, 55, and 56. While you all gave yourselves a nice \$40,000 raise, if I'm not

[11:53:00 AM]

mistaken, most of us out here, we didn't have that option -- maybe 2 per cent. You guys are going to go back home to your warm beds, nice houses, wherever you're at, and having to go out and tell people living on the streets that, hey, we'll see if we can find you a location just to stay safe during the cold nights. I just ask you to please reconsider all the choices that you're making, especially for some of you leaving the dais and those that will be left here -- we are watching.

>> Mayor Adler: Thank you.

>> Walter Horton, item 56.

>> Mayor Adler: Okay.

>> Good morning, staff. Thank you for allowing me to speak. There was a miscommunication on the signing-up stuff like that. Anyway, I'm very much opposed against 55.

[11:54:00 AM]

I'm a home-grown Austin boy. Been in Austin 60 years. Very much opposed against the turning property into multifamily property. I feel like that's one of the blessings in Austin, having so much greenery. Again, embarrassed to call Austin home. Used to be proud to call Austin home. Please change your mind about the zoning changes of area 55 to multifamily. Thank you. Have a nice day.

>> Mayor Adler: Thank you. Anyone else signed up to speak? That gets us back up to the dais. I'm going to call item number 30 -- legal settlement. Want to read in the number? Tell us what the number is.

[11:55:02 AM]

>> Good morning. I'm here to recommend you approve a settlement payment of \$160,000 to settle the lawsuit related to January 2020 car accident where plaintiffs sought payment for injuries as part of an accident involving Austin transportation.

>> Mayor Adler: That's noted on that item number 30.

>> I have a question. I noticed we pulled item 10. 54 was not pulled and they're related.

>> Mayor Adler: 54 was not on the consent agenda so we'll take up 54.

>> Thank you.

>> Mayor Adler: Yeah. Okay. Consent agenda item 1 through 50 and 86 is postponed. The other pulled are 10, 27, 36, 41, 42, 43, and 44. Is there a motion to approve the consent agenda?

[11:56:02 AM]

Council member harper-madison makes the vote. Council member Ellis seconds. Any discussion on the consent agenda?

>> Ellis: Council member veal la has a friendly amendment. It's an e-mail. I accept it as friendly.

>> Vela: I distributed a version -- there were minor changes. I'm redistributing. I do offer it and thank you for accepting it.

>> Mayor Adler: Can you read what your friendly amendment is?

>> Vela: I will. It's direction. I passed it out. This is a new one. Yes. Should I pass it out or read it into the record?

>> Mayor Adler: I don't know how long it is.
>> Vela: The city council directs.... [Reading rapid

[11:57:18 AM]

ly].

>> Mayor Adler: Any objection to that amendment being added to this item 48? Hearing none, that amendment is added, remains on consent. Council member kitchen? Council member harper-madison? Did you have something else?

>> Harper-madison: I had comments about the consent agenda. Sounds to me council member kitchen may have questions.

>> Mayor Adler: Council member pool?

>> Pool: I have an answer about the report back date.

>> Mayor Adler: Council member tovo? Council member pool has a question about the report-back date you asked about earlier.

>> In the item itself it talks about reporting to an array of commissions in June. That date is set at June 15. The report will come to council through the Austin energy

[11:58:20 AM]

utility oversight commission. After that, probably sometime in June. And then I had some comments that I wanted just to talk about on that solar -- the battery ifc that I'm happy to wait --

>> Tovo: Can I ask a question back? I misplaced your version, though I think this part -- where it says the manager is directed to explore battery end of life recycling and disposal options and report back the cost analysis related to rebait tariff disposal -- that's all attached to that?

>> That's correct

>> Tovo: Super. Thanks for the clarification.

>> Mayor Adler: Further discussion on the consent agenda.

>> I have a comment on 48. I think it's within the language. I want to clarify for the city manager that when you do return

[11:59:21 AM]

this, to consider and include, you know -- think through how in a -- you know, in a shortened or waved site review process you account for enforcing things like tree protections. I'm sure -- I'm certain there's other ways to do that. The site review process is one way that's done right now so just as part of reporting back, it would just be reporting back to explain what the process is to make sure that our tree protections are enforced. Does that make sense for the sponsor.

>> Yes, it does. Thank you.

>> Mayor Adler: Okay. Council member Kelly?

>> Kelly: Yes. I would like the record to reflect abstention on 15, a no on 36, which is actually pulled. I'm so sorry about that.

[12:00:23 PM]

A no on 37. No on 40, and an abstention from 47. Thank you.

>> Mayor Adler: Thank you. All right. Consent is in front of us -- items 1 through 50. Pulled are 10, 27, 36, 41, 42, 43, 44.

>> Just need clarification.
>> Mayor Adler: Go ahead.
>> Council member vela -- council member Ellis -- is that 90 days or 90 business days.
>> Good morning. Council member vela I know your staff member has reached out. We haven't connected. The concern is the site plan process takes -- it's a two-party process.

[12:01:24 PM]

We have staff review and then developers have to respond to comments. It would take more than 90 days. I don't know if you mean 90 days overall for staff review because we have multiple cycles we go through. If you mean 90 business days -- consecutively -- we'd have to implement time line for two er -- for developers as well. For the site plan we have -- what we can't control right now is how long is developers take to respond to us. And so if your intention is 90 days from start to, you know, consecutive days we'd have to put in some sort of time frame for them to respond to us as well.
>> Vela: My intent is what we can control as a city.

[12:02:24 PM]

We can't control how long it will take someone to reply -- comments, clarifications -- whatever the case may be. Area of our control, our total time line. We were thinking 90 calendar days which is about where we're at with a single family home, rez den shl review.
>> We would recommend business days. As far as the residential review -- I believe you're right. The interest thing about not being able to compare residential with site review -- residential with have 6, 7. Site plan has multiple reviews from multiple depts. We have fire department, the health department as well. With site plan we have water

[12:03:26 PM]

protection quality, transportation, public works, and others. So that's where it becomes a more complicated process.
>> Vela: I understand that. That said, I think the entire point of the amendment is to simplify and streamline that process and decide what we need to prioritize and what we don't need to prioritize. I'm not saying, hey, squeeze everything you do into 90 days. I don't want to speak for council member Ellis, but let's identify which are the most critical elements and put those in the site plan review and those that are not as critical, let's exclude those from a site plan review so we can expedite the entire process. That's, again, my thinking on it without having gotten into the details of the rule-making process.
>> Absolutely. We appreciate the ifc and look forward to coming forward with a recommendation for council because we believe it will be beneficial. We'll do that analysis of which

[12:04:26 PM]

of those absolutely critical reviews and based on that we can come back to council with an estimated, like, initial cycle and then subsequent cycles and then we have the overall goal of hitting cycle review times 90 per cent of the time.
>> Vela: I don't have a time with 90 business days. That's not a concern. I'm fine with that.
>> Mayor Adler: I'm trying to figure out if we need to pull this item so we can do the consent agenda or?
>> I think that covers it.

>> Mayor Adler: Any objection to his amendment being put in place saying 90 business days? Hearing none, it's incorporated and on consent

>> Tovo: I have some comments but I asked the question of staff about the ratification Lang waning. Usually when we have an item being ratified -- if you would give me a brief explanation.

[12:05:27 PM]

>> Absolutely. Mike Kelly on behalf of water shed protection department. Ratification -- usually we bring these forward as community agreement -- this process will allow us to reimburse. It's not the usual process. This came forward as a ratification

>> Tovo: Usually those would come forward at the time of the expenditure and we're now ratifying it -- or at the time of the work and this is coming forward later because that step got bypassed unusually.

>> This happens during site twopment process and and the I site development paperwork I used to agree on the terms -- typically we'll do that as a community facility and come to y'all and -- that number mad been agreed upon and so it was

[12:06:28 PM]

the advice of law to bring it forward as a ratification

>> Tovo: Thank you. This is really the city's cost participation with those developers who agreed to oversize their infrastructure based on our request.

>> Land development code -- they're taking advantage of that. We're reimbursing

>> Tovo: Thank you. I appreciate it. I had a few comments on consent. I don't know --

>> Mayor Adler: Any other comments about consent before -- council member Ellis.

>> Ellis: I'd like to put that back on --

>> Mayor Adler: Anybody need more time on 27. >>.

>> If it goes back on consent, will we consider?

>> I would like it to have mine, council member Fuentes' and --

>> Mayor Adler: Is everybody okay with the three amendments that were sent to us?

[12:07:35 PM]

Page 27 goes back on the agenda with items in the three amendments. Council member tovo?

>> Tovo: I have comments but another question about 27. We got a memo from Austin energy. It talked about -- it was an answer to your -- let me make this fast. It was an answer too mayor pro tem -- to mayor pro tem's question. It talked about the fact being we don't have the ability under the state law to handle it the same way. We only got that memo last night. I think it is appropriate to make that part of our legislative agenda. Since I don't have an amendment drafted perhaps when we take up the rate case we can provide direction to amend the legislative --

>> Mayor Adler: You could describe it here because it's in the nature of -- so adding to --

>> Tovo: Can I invite mayor

[12:08:36 PM]

pro tem alter -- I know you're familiar with it too. It was the question you asked that prompted it. Are you prepared --

>> Alter: Sure. The issue is Austin energy is not allowed to levy impact fees which would allow us to refute costs for the system that is necessary. They're only able to do the connection and specific fees to

the development. So I do not know whether that is a prudent thing within this legislative session to be add Vo kating for. It seems if on analysis it proves to be a prudent step to move forward with, I believe under the legislative agenda as written we would have authority to pursue that but I think we need to analyze whether that is something we want to pursue during this session.

>> Mayor Adler: This is a state rule, right?

[12:09:37 PM]

>> Alter: This is the federal agenda anyway.

>> Mayor Adler: Okay. Let's look and see if it's --

>> Alter: It's unfortunate we can't do it because it's working really well for Austin water and we're not having to raise rates for Austin water and we're diffusing that and saving money. So it's something generally I would be supportive of but --

>> Mayor Adler: It's 12:09. Let's see if we can take a vote on the consent agenda. We have speakers and music.

>> I have questions about council member Kelly's amendment.

>> Mayor Adler: Council member pool?

>> Pool: I wanted to point out 27 is the federal agenda, not the state. Should I go ahead and make my comments?

>> Mayor Adler: Yes.

>> Pool: I wanted to talk a little bit and draw attention to item 45 that I brought this week. It directs the city manager to explore the addition of battery

[12:10:37 PM]

storage rebait program and tariff structure for that. We can see the increasing adoption of solar battery storage is an important next step in our renewable energy future. It helps lower our reliance on fossil fuels. Battery storage is out of reach for most house holds so I'm hoping this exploration with Austin energy will bring forth a program that makes battery storage more available to the average customer. Another piece of the resolution speaks to microgrids. It directs the city manager to explore whether it's possible to have subdivisions or developments like a pud construct their own renewable infrastructure and provide power to its residents or customers as a benefit. I'm sure many of you will remember the solar community Bab cock ranch that survived

[12:11:37 PM]

unscathed by hurricane Ian. This is what a microgrid community looks like. The largest in the united States lives right here in Austin. University of Texas produces all of its own electricity from steam. I want to thank my co-sponsors for joining me on this item and I appreciate the dais' support and the community support. I think this is a really good effort and look forward to seeing what the city manager brings back to us in June. Thank you.

>> Mayor Adler: Thank you. Clerk, I'd like to be shown as a sponsor on this item, if I can. Council member harper-madison?

>> Harper-madison: I wanted to make a few comments about the consent agenda. Just a moment. I'm sorry. My 13 year old doesn't care that I wanted to make a few comments. She got her P.E. Shirt. I'm very happy that we got to

[12:12:38 PM]

see the passage of item 31, the wage theft item. We heard a lot from folks about this item. Honestly I'm a little embarrassed I didn't recognize how much of a bad actor the state of Texas is and I look forward to us getting a better reputation around that item. I think it's surprising in 2022 we're just now taking this kind of action seriously. Again, embarrassing. I'm really proud this new ordinance and protection that it creates will go a long way and shore up economic opportunity and justice for all, especially in a city like Austin that experiences economic segregation. To council member pool's point, I'm happy to see this go forward. Good for the environment, good for pocketbooks, good for resilience. I'm glad we're having

[12:13:38 PM]

conversation about the future being renewable. Item number 47, the psa homeless children funding, also pleased to be able to cosponsor number 47 which will help steer more resources to young scholars dealing with homelessness. That is one that I think there is probably extraordinarily flawed data on how many of our scholars are going into school buildings in the morning having not had some security around where they slept the night before. I hear stories from my kids that contradict the numbers that we are seeing around how many of our students are experiencing homelessness and I wanted to take a moment to say while I appreciate that we're taking the opportunity to apply tools where possible, I just keep thinking about the implications of homeless

[12:14:39 PM]

students and it's terrifying to think how much of a distraction not having your physiological needs being met must be -- I hope that's something we spend more time talking about in the new year. Item 48, council member Ellis' missing middle item -- talking about trying to build that missing middle kind of housing for years and years. Right now our outdated code making it harder and more expensive to build that kind of smaller and denser housing that is more affordable and transit-friendly -- it's beyond time to get past our challenges with being housing hesitant in the city of Austin and get out of our own way and let's make four-plexes.

[12:15:41 PM]

So there's a lot of really important stuff on the general Ta and I'm happy -- on the agenda and I'm happy to see these.

>> Left out of your thank yous was to thank you for your leadership. There were a lot of extra things that were thrown on both of your plates given the rules for the public emergency. Thank you for your leadership during that time. It is fitting that on the day that we mark a thousand days that we are approving item 23, which execution interlocal with Travis county, accepting a grant related to the shared cost of the covid-19 pandemic for a large chunk where we had not established a mechanism to share that financial benefit. I want to thank Austin health.

[12:16:45 PM]

I have a much greater appreciation or how complicated the FEMA reimbursements was. This grants up to 20,450,000 from the county's counterpart. This is important for us to share the burdens of covid across the jurisdictions, which I believe is a shared goal. Two additional steps, though, are in the works that I want to flag that I think complement this item. There will be a future extension of the Ila that will

outline the terms of engagement for any future public health emergencies and disasters and similar extension related to collaboration related to emergency management is in the works that will capture some of the elements that are necessary to do a similar action with

[12:17:45 PM]

respect to -- what we operate jointly with the county. I want to speak briefly to item 40. Thank you, colleagues, for your support which I'm bringing forward with cosponsors pool, vela and mayor Adler. We worked on this with members of euc, which passed an earlier version unanimously. Thank you for your work on this. The 2030 Austin climate protection work is critical framework -- lays out a new retirement date of the coal plant. As Mr. Reed noted the generation choices that this plan outlines have enormous impact on our rates and ability to achieve our values and we definitely need to move forward

[12:18:45 PM]

with a revision. I think this is important to do as we move forward with the rate case. We have new technologies emerging. We have new federal funds and lots of changes in the market we have to deal with. I'm looking forward to the updates and I think the Austin energy staff for their attention to this matter. Related to this item are items 45 and 46 that my colleagues and I are bringing forward. Have to do with battery storage. I would like to be shown abstaining on 48. I support the concept broadly speaking. I appreciate the work that went into the item but I'm less comfortable including the elements on parkland dedication and tree preservation.

[12:19:45 PM]

I think we all support something like what this envisions so I'm not going to take time to put caveats on that. I look forward to what staff bring back. I'll be attentive to how we add vns this idea -- advance this idea. I think everyone shares the broad goal. I'm more comfortable with abstaining on that for today.

>> Mayor Adler: Thank you. Council member tovo and kitchen?

>> Tovo: I have a kwu comments. On 48 I share the concerns about removing parkland dedication and some of the trees and other things that the mayor pro tem raised because it's described as reviewing them but not necessarily removing them. I feel comfortable supporting this and initiating the code. I want to say I agree with the mayor pro tem.

[12:20:46 PM]

Council member kitchen you've been a leader in terms of our data, how we handle data related to individuals experiencing homelessness, which is so critically important. I think this is going to advance the ball. Mayor, thank you for the work on the customer assistance program and the cosponsors who have worked on that. Council member pool, I think this is a good step on the battery storage. I appreciate you bringing that forward. I share my colleague's support for wage theft. Manager, I wanted to call your air tension back as you and I have had an opportunity to talk about through the years. The work that -- with regard to human trafficking -- I think it has some important pending projects in terms of how we use the city staff out in the field checking meters and doing other things -- how we can provide better training to really spot issues.

[12:21:53 PM]

There is a measure in 36 that would address asking the manager to address -- as staff have hemmed. If we want to see changes in how they're calculated it's necessary to direct them.

[12:22:59 PM]

>> I want to highlight the one related to wage theft. With my cosponsors and colleagues -- everyone on council -- I brought this resolution. I'm pleased and excited this has now come back to us. We have an opportunity as a council to support it. I wanted to particularly thank the efforts of the many groups that have been involved, worker's defense, carpenter yes union. We've worked with the da's office. Thanks to everyone who has been involved.

[12:23:59 PM]

I'm very proud that we're able to bring this forward today.

>> Mayor Adler: Thank you. Council member Ellis and then Fuentes.

>> Something that came out of our work session that -- we've got units getting stuck in a permitting process designed for much larger projects. I think when you have missing middle housing as far as five units, having to undergo a lengthy and costly process.

[12:25:00 PM]

How do we make sure that we are making sure that the homes are safe and that they're environmentally friendly. We are in a housing crisis. Something I saw earlier today is there were three issues affecting people's ability -- ?

>> I want to also share my

[12:26:01 PM]

gratitude to council member kitchen. This is a huge step for our workers. It will take effect in 10 days after we pass it on consent. I'm excited to see that move forward. Want to share with the city manager that to the extent we can prioritize the hiring of the wage theft coordinator -- it's important. We have large-scale infrastructure projects happening in the city over the next number of years. We want to make sure we have the data base set up so folks are paid their forth and paid on time and there is a mechanism to report when they're not paid. I'm just wanting to commend councilmember kitchen on the leadership.

>> Again, I want to thank councilmember kitchen on that item as well, the wage theft item. I was on the board of the defense project when the state law was changed to

[12:27:03 PM]

recognize wage theft is theft. The cases are very difficult to prosecute. They are very tricky, and I know even though our district attorney is dedicated to prosecuting them, I know he recently hired Stephanie from workers defense project. I know they are hard to prosecute, and adding this kind of a shame list, you know, of letting people know that, hey, these employers have a history of not paying the workers may be one of the most effective steps we can take to combat wage theft. I appreciate councilmember kitchen and her staff for working so hard on this item.

>> All right. Just real quickly, a lot of good things on this agenda. Thank councilmember kitchen for the wage ordinance as well. Not only that, just several labor-related initiatives that you've brought forward that I'm

[12:28:04 PM]

proud to be part of on this dais. That's one of the emphasis of this council, and it's been proud to be part of that. I appreciate the three things on the agenda related to Austin energy. I hope that the Austin energy generation plant. Thank you, mayor pro tem. I will give to the community greater transparency on the issues that quite frankly people are confused about. That begins with the whole plant. Why that hasn't been closed as well as the bio mass plant. I think that this plan is an opportunity to true that up. I think we can get to greater levels of transparency and explanation than we have thus far. The solar storage incentive bill, thank you for the innovation that you have been bringing to that oversight committee. The future is going to depend on successful development of battery technology in our city plan. They played a big role for solar and wind by being early investors

[12:29:05 PM]

and proud that we'll be part of that with respect to batteries. The cap expansion is key. We shouldn't have 23% participating. We have to drive that number up. We need to help affordability. I appreciate my colleagues' assistance in moving that forward. On homelessness, two items on the agenda has been an issue for us on council, I wanted to touch on that. Obviously, the student fund is important. Thank you, Scott, because we see that pipeline as it relates then to chronic adult homelessness. So getting in a little bit earlier to be able to address this is critical. The data sharing, thank you councilmember kitchen for your continued work on homelessness. I point out that here recently a lot of the initiatives on homelessness have been coming with the leadership of councilmember tovo and

[12:30:06 PM]

councilmember kitchen and me and we're going to be turning over this torch to a council that has been intimately involved, but we're going to need champions really to pick up the laboring oar on some of those. When you look at other cities operating across the country right now, the single issue that is causing successful cities to grind almost to collapse is the issue of homelessness. If he with don't solve it in a meaningful way and it goes too far out of hand, we're going to be in the position those other cities are. There will be no practical solution. We're in a position if we maintain discipline and focus to solving this now, even when it's not the threshold issue, a little bit off the top of mind is people aren't seeing as much. You've got to stay on top of this. We could be the first city our size in the country and should be the first city our size in the country to actually be able to get to an effective zero homelessness if you stay the course that this council has set over the

[12:31:07 PM]

last several years. Then finally, the missing middle element councilmember Ellis, thank you so much for that. That has been one of those topics that we've talked about for a long period of time and just can't seem to get done because there's always going to be challenges with it. It's not going to go far enough. It's going to go too far. I appreciate your work in trying to find something we can move forward and it's going to move forward today. I look forward to us getting to 55 and 56. I appreciate the mayor pro tem's

assistance on that again. Something we've heard this morning is criticized by something going too far and others not going far enough. Let's get that done so we can start moving forward on these things.

>> I also want to thank all my colleagues for all these resolutions. I want to also be shown to be supporting cosponsoring 46 and 57.

>> So noted. That's all the discussion. Let's

[12:32:07 PM]

take a vote on the consent agenda. One through 50 and 86. 86 is being postponed. 10, 27, 36, 41, 42, 43, 44 has been moved and seconded. Those in favor raise your hand. Those opposed. It's unanimous with the comments noted that people made. Colleagues, real fast, item number 51 a non-consent condemnation item. Is there a motion to the effect that the city council of Austin authorizes the imminent domain set forth for the meeting for the public's use? Those in favor of this item, raise your hand. Those opposed. I'm showing that as being unanimous on the dais. Let me take a look at this real fast.

[12:33:09 PM]

I think those are all the ones we can take care of right now. Colleague, I'm going to suggest it is 12:30 right now. We've got a citizen communication resident public communication? Public communication here. We have six speakers. We get to listen to music. We're going to have the zoning speakers at 2:00. I'm going to suggest that we try to get to executive session at 1:45. I'm not sure we have long sessions today. At this point, we have the personnel matter to bring up. I'm not sure we're going to resolve that today. I think today is going to be just getting some information back to us. So maybe something we can handle quickly. The other item was the public safety negotiations reporting where there's a memo that came to us today. Based on that memo, it's a recommendation the

[12:34:10 PM]

manager and council that there might not be a need for us to do that executive session today. That would be the only thing we would have then would be the touch on the personnel matter.

Councilmember pool.

>> Since we're all on the dais, I assume we will all meet for executive session in the executive session room.

>> Right.

>> Great, thanks.

>> I suggest we come back at 1:45. What I'm going to do is call the citizens communication memo and recess this meeting with that announcement that we'll come back at 1:45 and executive session. Okay? Okay. I'm happy when that happens. All right. Then let's go ahead and call speakers to speak. With us is Charles librao. 1:45 in executive session. Is Mary Aguilar here? Come on down. Paul Robbins here? You'll be on

[12:35:18 PM]

deck, sir.

>> Hi. Good afternoon. I'm Mary Aguilar, and I live in northwest Austin, district 6. I've been living in my home for 15 years. My home backs up to a commercial building. About a year ago, a brewery opened right behind my home. A couple of months ago, city of Austin approved a site plan for them to have

seating outside their building behind their building which is right on the other side of my property. I e-mailed you a copy of the site plan and a bird's-eye view of my home adjacent to their property. I also included some pictures where the traffic has increased. Let's see. I've been in contact with the code enforcement development department and the office of Mackenzie Kelly. They have their empathy, but they cannot help me since the city

[12:36:19 PM]

of Austin has approved their site plan. I've contacted tab and the brewery has a license that allows them to sell alcohol and serve their customers and they can carry their open drinks in the alleyway and on the other side of my property. My understanding is that the zoning in our area was written and approved in 1985. I'm here to ask the city council to review and update the zoning for the safety concerns of me and my neighbors. I visited with some of my neighbors and they are -- we weren't aware of the zoning that is available to the commercial buildings that are behind our home. I have lost the enjoyment of my backyard, and I am living in -- as a president in in my own home. At this time, it affects me because my property line is so long, but my neighbors are also have the same concerns that -- as I do.

>> Thank you.

>> Mayor, if I could, I

[12:37:20 PM]

just want to thank you for coming up here to talk to the entire council about your experience. I know that my office has been in constant contact with you multiple times over multiple weeks. We connected you with the city services. We'll look for a way to move forward for you. I appreciate you coming down here today. So thank you.

>> Thank you.

>> Ms. Robbins, you want to come on down? Is Ethan Smith here? Ethan Smith, you'll be on deck.

>> Council, the great community organizer once wrote that when you go into a struggle against an entrenched power, don't complain that the situation is unfair. Go into it assuming it is not fair. I will not be taking his advice today. I'm here to show a few of the ways that Austin energy has slanted the

[12:38:20 PM]

rate case. Can you put the slide? First, Austin energy has used pseudoscience to state that poor people will actually do better under the proposed new rate than average customers. Here is a chart showing the opposite. Data from Austin energy and U.S. Census was used here, and it shows that income tracks consumption. Poorer people do not do well under Austin's current rate because on average, poor people use less than wealthy people. Austin energy hid this information from council. Slide. They eliminated value from energy conservation. Austin has the lowest consumption of any major utility. This saves all

[12:39:21 PM]

utility customers on fuel and costs and has deferred \$1.2 billion in power plants. Yet, the rate case did not allow this to be entered into evidence. Slide. Third, the city of Austin has climate goals to eventually become carbon-free. Conservation is an essential strategy, but again, such considerations could not be entered into evidence. Slide. And then there is the actual need for a rate increase. Council may not know this, but when Austin energy lowered its original rate by 25%, it did so largely because of an error the

utility itself made in the calculations. The utility is not in infallible source of information. But beyond the math error, the interveners in the rate case have found enough savings to eliminate the entire shortfall. This chart shows that five

[12:40:21 PM]

intervener strategies could eliminate most of the entire rate increase while Austin energy has -- had many hours in front of council to justify its proposal, the intervener's time has been ridiculously constrained. The hanging question that I have had for several weeks is why Austin energy was allowed to choose the impartial hearings examiner. No matter how impartial he may have been, the utility should not have chosen its own judge. There are three lawyers on this dais. Have you ever been allowed to choose your own judge, to appoint them?

>> Thank you.

>> Good evening.

>> Mr. Smith, you want to come on down. Is Krista Ramirez here? You'll be up next.

>> I guess this is probably the last time I'll see you guys for this. Thank you for

[12:41:24 PM]

your service. You can't please all the people all the time. Right? But I hope everybody stays engaged in politics and trying to make the world a better place. I wanted to just play you a song because I always come up here and talk about stuff.

[♪♪♪].

>> All right. I wrote this song. Everybody knows. The world destroys what it can't have, and everywhere you go, the world turns its eyes to you. He wanted you for his own, and I don't blame him, but I don't need to explain these things to you. That lying in bed with another girl in another place in another time, dreaming of everything

[12:42:25 PM]

turning out all right is no match for the sight of you. It breaks my heart in two. For I could delight in just a particle of your light and he could ride all night on your wave. We could both get a cat named shrodifger and merry live out our days. The world gave you just one kiss, so tell me how can you exist?

[♪♪♪].

>> Thank you.

>> Thank you. Also, I'll say about missing middle housing, there is a park like 11th and west land, and there's what I assume to be missing middle housing,

[12:43:26 PM]

some condos. But it starts -- the sign says starting at 1.7 million. Just make sure that just because something is a certain density or something, it's not necessarily providing affordability. So just keep that in mind. Thanks.

>> Okay. Ms. Ramirez, come on down. Is John Kaufman here.

>> He's on remote.

>> Okay.

>> Mayor, councilmembers, I've agreed with many of the site plans I've heard today. The review process for residential development needs refining to include a shorter streamlined process for subdivisions are

pursuing or than own that aren't part of their business. I work a full-time job and it has nothing to do with property development. So I think it's important you know about my personal experience as an example of people trying to find ways to continue to afford to live in their own homes. After spending more than

[12:44:26 PM]

five years subdividing a lot that I've lived on -- who are trying to subdivide their residential lots as a means to be able to afford to continue living there. I also have learned the land development code is archaic and needs flexibility to accommodate simple solutions that are vetoed because they do not conform to the rigid cookie cutter requirements. We individual landowners don't have the financial backing of companies. Subdivisions creating two lots on an acre of land should take that long to review as subdivisions adding double digit homes. Along the sides of our homes is six heritage trees and ten protected trees. I've talked with people in California and Oregon trying to convince them to sell me one of the two duplex that's would give me access to the back of my property. Finally one agreed to sell and I

[12:45:26 PM]

pieced together three separate loans to buy it. Then I did the unthinkable and decided not to tear down the duplex, but instead to leave it as affordable housing and only use the driveway and space where a garage once stood to access my land. I even incorporated parking spaces for the duplex occupants into the site plan. It sounds like a great solution. I was wrong. The land development code has led to the tear down of many old houses on large lots because the code makes it nearly impossible to work around them. I've done everything right by my 78704 neighborhood, saving beautiful trees, leaving affordable housing, not pursuing upzoning to increase cover or the number of units per lot. And now I understand why there are so many flag lots, because it's the only solution that's obvious without upzoning or demolitions. So I thank you for your time and consideration on

[12:46:27 PM]

expediting some of these smaller subdivisions.

>> Thank you. John Kaufman.

>> Yes.

>> Go ahead.

>> This is John Kaufman.

>> Go ahead. You have three minutes.

>> John Kaufman, I'm the independent consumer advocate that was to represent small business interest in the Austin rate review, and I have been working together with a variety of other consumer advocates on this case, developmental groups, other public interest groups. We've all come together on a joint proposal that does not -- that we have not been able to get Austin energy on-board but one that would allow a \$12 million increase in the already \$637 million revenue requirement of

[12:47:27 PM]

the utility. We believe it's responsible. It would allow the utility to provide safe and adequate service with \$6 million on top of it. Also, we as a group believe very strongly that the council should only increase the customer charge by \$2. The \$12 customer charge is very important to avoid rate shock. As

we have seen in the process with -- before the impartial hearing examiner, about 25% have been deemed ill with rate shock with the finding in the case, the impartial hearing examiner agreed that there was unreasonable rate shock in the current proposal, but we have yet to come to terms with it. Increasing the customer charge to \$15 will cause those who use less than the average amount to face increases of 25, 35, or 45% increases in their utility bill.

[12:48:28 PM]

That is outrageous rate shock and would urge the council to make sure whatever revenue requirement you do adopt, that you modify that and provide moderation for those who are -- who live alone or in apartments, who use less than the average, just simply because they conserve energy. On that point, I would commend the city council and thank them for paying attention to the program. We're glad you're going to try to reach more people with that but as someone who worked on these programs for many years, I would say it is probably unrealistic that you could achieve even 50% penetration with that program. There's a variety of reasons why, and I would just say that for the other 50% of those people who are living under the moves level, that you should really make sure that the right design does not impact the lowest users. If you have any questions about the letter that was sent

[12:49:28 PM]

yesterday, I'm available on those revenue requirement issues. The uncollectable, the covid expenses and the late fees, all of those issues are very appropriate. Those are the kind of issues that would be made at the Texas PUC if you are looking at a test here that was abnormal which we believe that the period we audited was an unusual period. The total of those three issues would reduce the revenue requirement by almost exactly \$6 million, and there are other issues that we hope that you take a look at. Again, whatever revenue requirement, please pay attention to the rate design and not be careful to avoid outrageous rate shock for those who use less than the average amount of electricity. I'm available for any questions if you have any.

>> Thank you. I appreciate you being here today and your continued work on this big issue. I did have a question for you about

[12:50:28 PM]

the letter that you were a party to that we received last night. There is a note toward the bottom -- and I'm still working through the points that you've raised on the other issues -- but you've included a clause in here about my having asked for -- to run a scenario at 22 million at a rate design that includes a \$12 customer charge and four tiers of blocks. Then it says it has not run the scenario. I think that the scenario that reflects that is scenario four, unless I'm misunderstanding what you were saying, whether the emphasis you were placing is on the inclining blocks or -- I think what happened when those -- when they came back, I think their numbering in the e-mail was different or the presentation in the scenarios was different than what was on the scenarios. I would urge you to look at scenario four which I believe

[12:51:28 PM]

does run the numbers for a revenue requirement of 22 million and a customer charge of 12. Mr. Kaufman, I don't know if you're still there. Was that the scenario? Was that the question that you were raising in that memo? I think we've lost him.

>> I can't tell if he's still on or not.

>> Thank you.

>> All right. With that, colleagues, those are all the folks we have. We're going to move out of city council meeting here at 12:51 and move it to closed session to take up one item pursuant to the government code. We're going to discuss personnel matters related to the performance and compensation benefits for the city manager. We'll see you back in the executive session room at 1:45. I urge those that can stay here for some music.

>> Quick question. I

[12:52:29 PM]

think you mentioned it earlier, but what time generally speaking will we be taking up 55 and 56? I have some folks asking.

>> If we can finish the zoning in time, my hope is to do it -- we have speakers at 2:00 on zoning? We're going to try to call them at 4:00.

>> Okay.

>> So we'll be doing -- hopefully there will be some time.

>> Either between that or after 4:00.

>> Correct.

>> Okay.

>> Yeah.

>> And mayor, one of the items that I brought forward, you had suggested some amendments on -- no, actually, you didn't suggest amendments on. The item I brought forward related to the economic development corporation, it would be great to get some sense of when that might come up. We do have staff here from the corporation in case there are any questions, and I would like to give them a sense of whether that might happen before 6:00 or after.

>> You know, let's take an assessment after we hear the speakers and see what the zoning

[12:53:30 PM]

looks like. Hopefully we have everything done before 6:00. If not, maybe not. We just don't know at this point.

>> Thank you.

>> Let's watch it. All right. With that said, music time. We'll see you all in less than an hour in the executive session room.

[1:01:39 PM]

>> Introduce you. Hey. This is a legit place here, man. Welcome to our city of Austin's version of Carnegie hall. This is about as close as we get to being able to offer our local talent Carnegie hall stage. I tell people, and I get a chance to say this every time we bring in music, which is just about every one of our council meetings, that this is a tradition that I think is just absolutely wonderful, because so much of our culture and our spirit and the magic of this city is tied into music. You know, I passed through the city back in the late '70s and no intention of staying. And one of the reasons I did was because of the music. We have a diverse and innovative and creative music ecosystem in this city, and it really is one of the things that makes us special. So, the artists that are willing to come here and give us a

[1:02:40 PM]

little music during days that are hard like the one we're having now, press the music into the wall so that we can pull it out later at 1:00 in the morning if we need to. It becomes real important. And favoring us with their skill here today and their art and their craft is brand new key. Brand new key is anchored by the songwriting duo of Jack, vocals and guitar and Amy, vocalist and mandolin with Jill commanding drums, Jamie holding down the back end vocals, and Ashley on percussion and backing vocals. Brand new key played to appreciative live audiences around the Austin area since 2012, growing from a tight porch

[1:03:42 PM]

grass trio into a fully formed five-piece band with a uniquely Austin americana sound. The band performs regularly at festivals and listening rooms, breweries, live stages in Austin and in central Texas. There are very few out queer performers in the broad americana sonic space, and all members of brand new key are activists. Thank you for that. The original songs speak to the heartbreak and desire and hard luck and fleeting happiness. Brand new key brings passion for equality and gender justice to their songwriting and performance. And clear a way for new audiences to appreciate a very old style of music. Their latest release was engineered at Austin's women-owned cross-pick studio by

[1:04:42 PM]

Ashley Welsh and Amy, mastered by Maria Rice at peerless mastering in Boston. Listen to their album. They'll talk about directing you to that here after we're done getting a chance to hear these folks. These folks are a long time coming, should have been here before, but COVID when we were canceling meetings pushed us back. So what better way to celebrate as I was just saying to the group our 1 thousandth day in COVID emergency and to bring back some music that was delayed along the way. Everybody, let's welcome brand new key.

[Applause]

>> All right, thank you.

[1:09:01 PM]

>> Thanks, everybody. Thank you.

[Applause]

>> Mayor Adler: Wants to be able to find you guys, you have like a website? Where would they go to find you?

>> Instagram, brand new key music atx, Instagram is probably the best way. We do have a website, brand new key music, if you just Google that, we're going to be there.

>> Mayor Adler: Cool. Facebook, you're brand new key music. SoundCloud you're brand new key. And if people want to get the album, the new album, how do they do that?

>> Online. We brought some today.

[Laughing]

>> Wherever you can get music, you can get us.

>> Yeah, streaming, Spotify, Apple Music, we're on all the streaming services and if you want an actual CD, contact us and we'll get you one.

>> Mayor Adler: Cool.

[1:10:02 PM]

>> Waterloo, too.

>> Mayor Adler: Cool. And if somebody wants to see you live, do you know where your next gigs are?

>> We play at the Texas keeper cider quite a bit, usually monthly. And we have a gig coming up in Lockhart in February at Lockhart arts and crafts.

>> Mayor Adler: Very cool. All right. Well, my colleagues and I, we have a proclamation to enter. Be it known that whereas the city of Austin, Texas, is blessed with many creative musicians whose talents extend to virtually every musical genre, and whereas our music scene thrives because Austin audiences support good music produced by legends, our local favorites, and new comers alike, and whereas we are pleased to showcase and support our local artists, now, therefore, I, Steve Adler, mayor of the live music capital, together with my colleagues on the city council

[1:11:03 PM]

dais do hereby proclaim December 1st of the year 2022 as brand new key day in Austin, Texas.

[Cheering and applause]

>> Mayor

Adler: Congratulations.

>> Thank you.

[1:56:12 PM]

[Music]

[2:51:24 PM]

>> Mayor Adler: All right, everybody. We are back here in city hall. While we were in closed session -- that's over now -- in closed session, we discussed personnel matters related to item e-3. We'll have to pick up that item later. We'll see if there's more time this evening or potentially next week. But we are out here now, so let's go ahead and start with speakers. Before we do that, are there postponements to the zoning agenda that we should let the speakers know about.

>> Mayor, there are. Items that we're going to offer for consent postponement include 62, which will have staff postponement to January

[2:52:27 PM]

26th. Item 63, also staff postponement to the 26th. Item 64 will have staff postponement to February 9th. 65 will be staff postponement to February 9th. Item number 68 will have staff postponement to January 26. Item number 70 will have staff postponement to --

>> Mayor Adler: What about 69? No.

>> No.

>> Mayor Adler: Okay.

>> Item number 74. I understand council member kitchen will ask for a postponement to December 8th. Related item, 75, postponement to December 8th. Let's see. Item number 78, applicant postponement to January 26th. Not a postponement but 79 has been withdrawn.

[2:53:28 PM]

Item 81 has applicant postponement to January 26th. That concludes the postponed items for today.

>> Mayor Adler: It looks like the ones we don't need speakers on today would be 62, 63, 64, 65, 68, 70, 74, 75, 78, 79, 81.

>> I have two questions.

>> Mayor Adler: Hang on one second.

>> Looks like 70 is consent.

>> Okay.

>> It's -- and 73 is also a postponement.

>> Sorry. 70 would be consent. And 8 --

>> Mayor Adler: 70 is not postponement.

>> No. 73, though, is postponed to December 8th.

>> Mayor Adler: Until when? 73 is until?

>> December 8th.

>> Mayor Adler: Again, the ones

[2:54:29 PM]

being postponed today appear to be 62, 63, 64, 65, 68, 73, 74, 75, 78, and 81, and 79 has been withdrawn.

>> Yes.

>> Mayor Adler: Let's ask people on the phone if they want a chance to speak. We're at one minute each.

>> First speaker is Anthony sofatak on 61. Please unmute. Kathleen rohillo on 77. We might have a sound issue. Just one moment.

[2:55:49 PM]

Kathleen.

>> Yes. I'm here. Can I be heard?

>> Mayor Adler: Yes.

>> Okay. Great. If you don't mind, one second. I need -- rezoning and removing the [indiscernible] Would be injustice. It adds to unsafe traffic flow currently affecting our residential communities. I believe we all here afwree the preservation of neighborhoods and neighborhood safety is and always should be

(indiscernible). I respectfully request you vote no. Why would anybody vote to increase traffic by any additional trips over a day when our own city shows that it

[indiscernible] Traffic flow issue and the same analysis that reports [indiscernible] As substandard streets. The site has restriction and

[2:56:52 PM]

limitation to hours of operation from 7:00 A.M. To 4:00 P.M. These restrictions were put into place in 2005. Since then, [indiscernible] Exist surrounding this site. Now traffic is fed onto [indiscernible] Directly from I-35. Why should these hours of operation be less important now? Vote no and help keep our neighborhoods and communities safe. Thank you.

>> Anthony sofatak. Item 61.

>> Hello?

>> Mayor Adler: Go ahead.

>> Hello? Hi. Yes, I'm -- want to speak about the [indiscernible] Which has contributed richly to Austin. Former home of the headliner's

[2:57:54 PM]

club and frequented by president Johnson as well as countless political figures. It is a fine example of late century architecture and a unique addition to the Austin skyline. What's more, great care has been taken over the years to preserve the integrity of the design and it's truly impressive to see. For these reasons I ask for your support in preserving this fantastic piece of Austin history by voting to change the zoning to historical landmark district. Thank you.

>> Garrett dick for item 83 and 84.

>> Hello, I'm calling again about the statesman P.U.D. You know, I would really appreciate if the council would

[2:58:56 PM]

respect and honor the process that got us to the point with the south central waterfront plan and district instead of requiring us to, you know, take more time to call in and have these -- you know, make these objections while the applicant can just hire a lawyer and spend money and wouldn't need to if they would adhere to what it was that we all agreed on when they were present at those meetings. Please respect our time and just enforce what it is that the community already expressed is their wishes and preserve open space for what they're proposing to be thousands of new tenants and all this activity in an area that's already highly congested, in a city that's already lacking in park space for the number of people that require. I appreciate your time. Y'all have a great day.

[Buzzer sounding]

>> Dennis, item 84.

[2:59:59 PM]

>> Yes. My name is Dennis, and I wish to withdraw the comments that I submitted on this agenda item. And thank you.

>> Mayor Adler: Thank you.

>> Wendy Todd, items 83, 84, and 85.

>> Good afternoon, Wendy Todd, south river city citizens neighborhood association. I'm going to echo the speakers before me, Garrett Nick, and especially Mary Arnold. For those of who you do not pay attention to her presentation, she is one of our mentors and guiding lights for why lady bird lake looks the way it does. The statesman P.U.D. Will be a great impingement on the setbacks, on the quality of the waterfront. And if you're going to continue to solicit citizen participation

[3:01:00 PM]

in the process, you have to abide by it. We elected you. We didn't hire the city of people who are recommending, the staff people who have recommended it. But please, pay attention to the process. And we're available to help you make this a better project.

>> Mayor, that concludes all the remote speakers I have, so let me switch over to in-person.

>> Mayor Adler: Okay.

>> First speaker is Brian Evans, item 61, followed by Richard Hardin.

>> Thank you, council. The Westgate park sees the minimum requirements of the

[3:02:00 PM]

historic landmark combining district designation. This designation is intended to protect, enhance, and preserve structures, sites, or areas with significance. The Westgate has that, but it is not immune from fears of redevelopment. There have been many properties redeveloped in our storied neighborhood, including the warehouse district. But in our opinion, this building does not need to be another large blue glass rectangular building like so many redeveloped properties have become. They lose that charm, character, feel of a bygone area. Though we have the other designations, they are honorary. We are seeking to make a commitment to the city to be good stewards of this site. Given our many decades of preservation we've already been involved in, our two previous designations, our historical, cultural significance, the recommendation from city staff, the unanimous support of the historical commission, a review by city's attorneys --

[3:03:01 PM]

[buzzer sounding]

>> And the planning and zoning commission, we ask that you approve our application for the change. Thank you.

>> Richard Hardin, 61, and then Timothy.

>> Good evening, mayor, members of council. Thank you for this opportunity. There's really three issues here that you need to think about, in my opinion. One is what this applicant spoke to, does the building merit historic designation. I'm not here to dispute that. Secondly, does the application that this applicant filled out meet the criteria for the requirements of state law and the requirements of the city, and they don't. I have given you a backup piece of information that recites all the short comings, including the fact that the 102 owners of these condos have not signed any kind of application or designated this is their agent.

[3:04:01 PM]

It's the homeowners association that designated the agent. And last, should air rights, condos, 102 that are interior to this building receive tax exemptions that will be as much as \$650,000 annually --

[buzzer sounding]

>> In perpetuity. I guess my time's up. Happy to answer any questions.

>> Timothy Daniel, item 61 and then Douglas moss.

>> Thank you, councilmembers, Mr. Mayor. Happy to be here to have the opportunity to speak in favor of the request to rezone the Westgate building. I'm here on behalf of my wife. I don't speak for the rest of the residents, but she and I met here 20 years ago, left for work and family reasons and throughout that period we've revisited Austin. As everyone knows, the skyline, the development of the city,

[3:05:02 PM]

population has changed and continues to change daily. When searching for a home to move back to Austin we looked at numerous properties. We continued to be drawn to the Westgate for its character, history, and historical significance, and, of course location. Even though some of these condos in the building need a little updating and tlc, that is very possible and we're able to continue to enjoy the charm and historical characteristics of the building. Not only the architecture, but the people who have graced and walked its halls. If only those walls could talk. Years ago, the building --

[buzzer sounding]

>> Obtained historical designations and it's only fitting that it receive those from the city.

>> Douglas moss for item 61, and then Jody.

>> Doug moss, I purchased my home 2 1/2 years ago in the Westgate. It's an extraordinary community. One of the unique components is

[3:06:03 PM]

most of the apartments are modest. They range from 350 to 1100 square feet. These are modest-size apartments. I'm an architect. I work and I live in downtown Austin. I have a great affinity for buildings of this character and buildings that were built in this timeframe. And this is particularly true of the Westgate and its place in history in the city of Austin and its place in history with the capital view corridors. In my practice I deal with a lot of historic buildings and it is difficult to have owners and building occupants both love and cherish their buildings and want to renovate and want to maintain the character of the buildings. In this case, we have owners and management that wants to maintain the character of this history. And I strongly encourage you to vote in support of designating the Westgate as a historical landmark. Thank you.

[Buzzer sounding]

[Applause]

>> Jody Zimmer, items 69, 70,

[3:07:05 PM]

71, and 72, and then grace gillker.

>> Good afternoon. I'm Jody from the Bouldin creek neighborhood association and I'm here to say that our neighborhood association totally supports 69, 70, 71, and 72. Thank you.

>> Grace gillker, item 74 and then Roy wayley.

>> Is grace here? Okay. Roy wayley for item 74, 75, 83, 84, and 85.

[3:08:08 PM]

>> I should have one minute for each of those instead of all of those. My name is Roy wayley, conservation chair for the Austin regional group of the Sierra club. And I'm down here to tilt at the windmill they're erecting on the statesman site one more time. I already talked about the tirz. I already said this before. Build it, but don't ask us to pay for it. I'm all for the density, but adding all that density at the last minute at that site -- there are other places to add density. Sinclair black, the architect, wanted to take the whole where warehouse district and make it five-story wood-framed buildings for affordability and for density. And we can continue to do that. There is so much embedded environmental nugget of -- in tall buildings.

[3:09:12 PM]

The density doesn't have to be all in one spot.

[Buzzer sounding]

>> It doesn't have to be a tower of babel situation. So, say no to the tirz. Say no to the P.U.D. Tell the cox family bring us back something realistic. We'd love to work with you, but this doesn't work. Thank you.

>> Joanie Cooksey for item 77 and then Jody Mattingly.

>> Not here.

>> Is Joanie here? Oh, okay. Jody Mattingly, item 77.

>> Welcome to bene to drive, a 22-foot-wide substandard road which started taking on traffic directly from I-35. Austin fire, police, and ems are

[3:10:13 PM]

located en route and must use route to access south 1st and congress avenue. Notice there's no place to pull over for them. Here are a few of the single-family homes on Ralph. As you know, parkridge, parkridge gardens and hill families also access and are affected by what happens on Ralph. When the apartments are completed, Ralph may have as many as 10,000 vehicles per day. That's 8-9 times what this road should have. There are a number of businesses on Ralph, but none are over two stories high. None have storefronts marketing to consumers. And none generate more than 300 vehicles per day. In fact, none of them generate anything close to 300 vehicles per day. So, please don't make matters worse by allowing crux to bring more than 3,000 vehicles into this overtaxed, already overtaxed situation.

[Buzzer sounding]

>> Thank you.

>> Susan hambray, item 77, and

[3:11:15 PM]

then Molly Mitchell.

>> Good afternoon, I'm a member of the ridge neighborhood who lives within 200 feet of this site. It's with that hat I've conducted every discussion on this matter. I had a big powerpoint presentation, but since we don't have time to do it, I direct you to slide 2 where you can see that all of the areas shaded in green are residential uses, are homes. And the big red X is where this gym wants to put a 50 to 60-foot building with a retail strip center and the Orange is the police department and the fire department that are also on Ralph. We've tried hard to get applicant to understand how this project is not a good fit for our neighborhoods. We obtained a valid petition because we were led to believe it was a legal process that made

[3:12:16 PM]

a difference. If there are two or three of you who haven't made your minds up, we would like to appeal maybe to your inner rebel and ask you to throw some votes our way. It would make it worth all the efforts we've put into this that right now we feel are in vain.

[Buzzer sounding]

>> Thank you.

>> Molly Mitchell speaking to the postponement of 79, and then David Hixson. David Hixson, item 83. Nancy Miller. Ruth Casares. Karen pop. For items 83 and 84, and then bill bunch.

[3:13:19 PM]

>> Good afternoon, council. My name is Karen pop, I represent Texas housers. We have spoken quite a bit about this. If we're at 4%, we should be at 10%. I hear people talk about \$23 million being a lot of money. It is a lot of money, but imagine what 10% is, if 23 is 4%, it's over \$50 million. I've heard about some great projects that could be done with the money, that's great. There's two questions -- how much money and where does the housing go. I've heard more interest in 422 at the lake as a substitute

property and I caution you to really work out the specifics of enforcement on that since it would be a privately owned -- if the city would buy that it would give the city more leeway in how it dealt with the affordability goal for the south central waterfront district. If it stays being enforced by third parties, we need a better system than we have today for

[3:14:19 PM]

our third party enforcement programs. Thank you.

>> Tovo: Thank you for being here today and for your continued advocacy for good housing options and affordable housing. As you know from being part of these conversations, there have been discussions, too, about taking a cash payment in lieu and putting it into a project outside of the waterfront. Have you and Texas housers and other housing advocates you've been working alongside weighed in on that?

>> I'm part of a group that endorsed a proposal to get to 10% by using the existing 4% that's been proposed and then the other 6 to have that on-site. I'm not sure if that answers your question.

>> Tovo: It does. I think you shared the proposal with us on second reading, that advocacy position as I recall did not include an in lieu fee, it was all either on-site at the statesman tract or off-site, but

[3:15:20 PM]

in the 422 property. Am I remembering that correctly?

>> We've been through different versions of it, but I think the thing that we represented as a group was do the 4% fee in lieu and then 6% on-site.

>> Tovo: On-site at the statesman tract.

>> Right.

>> Tovo: Okay.

>> Well, yes.

>> Tovo: Okay. Thank you very much.

>> Bill bunch for items 83, 84, and 85, and then Sarah Campbell.

[3:16:29 PM]

>> Good afternoon, bill bunch, save our springs alliance, zilker neighborhood association. Please vote no on the statesman P.U.D. There's absolutely nothing superior about this proposal. There are dozens of variances, waivers, and simple erasures of whole swaths of city code that are all there to protect us. On each and every one of those points where our current code is being erased we're getting something far inferior. You're throwing out the legacy, as you heard from Mary Arnold, of lady bird Johnson herself, Roberta crenshaw and others who called for us to, whenever we had the opportunity, push development back from the shoreline and provide public space along the shoreline. The 2016 vision plan calls for a full 9 1/2 acres of parkland on

[3:17:29 PM]

this tract in exchange for a much --

[buzzer sounding]

>> A now fraction of the increase of density that they're getting. So they're getting everything, we're getting nothing, virtual nothing. It is not superior. Y'all know that. Any commonsense analysis leads to a conclusion. It's inferior.

>> Mayor Adler: Thank you.

>> Sarah Campbell, items 83, 84, 85, and then Carol bezeki.
>> Yeah, Carol, go ahead. Item 84.
>> Good afternoon, mayor, councilmembers. Uh-oh. All right. Eating up my time here,

[3:18:30 PM]

microphone covers. I am here in regard to item 84. And I am working with a number of groups that presented you with a proposal on second reading that includes the Austin area urban league, Austin women in housing, caritas of Austin, go austin/vamos Austin, ladies of charity of Austin, sunrise community church, and homeless navigation center and the Texas antipoverty project and Texas housers. And we all got together because we feel as though there is a need to have affordable housing one the statesman P.U.D. It's okay to -- may be all right to have some of it outside of it, but we are concerned about a growing trend where the city is approving zoning ordinances and other types of ordinances that are creating segregation in the

[3:19:32 PM]

city in the same way that the 1928 master plan did.

[Buzzer sounding]

>> That it would be systemic. And I am out of time. This is the bare minimum. This affordable housing requirement that is in the -- this draft that was published online with the agenda to me is the absolute bare minimum that is acceptable to the people who are represented by the proposal that we submitted earlier.

>> Mayor Adler: Thank you.

>> Kitchen: Mayor, could I ask a question?

>> Mayor Adler: Yes.

>> Kitchen: So, just to be clear, the recommendation that you all have -- we've seen it, but I'm trying to distill it. The recommendation that you all put together was at 10%, is that right?

>> Yes, the total was 10%, that's correct.

>> Kitchen: Okay.

>> And we feel as though that

[3:20:32 PM]

10% is a minimum that needs to be met because of what is in the previous P.U.D. Ordinance, that that number is established with the ordinances that have been adopted by this council.

>> Kitchen: Okay.

>> Mayor Adler: Councilmember tovo.

>> Tovo: Thank you for being here today. We've referred a couple times to that document that you sent along on second reading. I didn't bring my copy down, so I'm looking in my email for it again. And I just wonder if one of you among that coalition would mind resending it perhaps to the entire dais if that's possible just so we have that in front of us again.

>> Yeah.

>> Tovo: And I wanted to clarify, the proposal that you submitted talked about 10%. And had a portion -- a majority of the housing there on-site. You talked about what's in the

[3:21:32 PM]

ordinance as being the bare minimum but what's in the ordinance is 4%, not 10%.

>> No. Actually what I pointed out that has been printed -- maybe I have the wrong document, but I took this off of the public city council website yesterday. And I'm happy to share the hard copy. 4% is totally unacceptable.

>> Tovo: Okay.

>> 4% is -- I don't know. So that's a problem. If there are documents that are being posted that are not accurately reflecting what you as councilmembers are looking at, that's an issue. I mean, that's your issue, not mine.

>> Tovo: Yeah. Thank you.

>> It's an issue for me because I'm reading this and this was the proposed -- the proposal for adoption. That I found online.

[3:22:34 PM]

>> Tovo: Okay. Thank you.

>> Mayor Adler: Okay, thank you.

>> Tovo: Just for clarity --

>> Mayor Adler: Go ahead, councilmember tovo.

>> Tovo: Maybe we can ask the staff to clarify what passed on second reading. It was not my understanding that what passed on second reading was a requirement for 10%.

>> We'll take that.

[Laughing]

>> Tovo: Yeah, what passed on first reading was a higher percentage.

>> Councilmember, the ordinance as written in front of you today has three options for affordable housing. It has your 10% amendment. It has the 4.2 option. And it has the fee in lieu of option. It does not have the 4% option.

>> Tovo: Okay. Thank you. Can you direct us -- yeah, thank you.

[3:23:38 PM]

>> Chris gunter, item 84, and then Craig naysar.

>> Good afternoon, my name is Chris gunter, I'm with the Travis society. We have met with endeavor. They have agreed to withdraw their request for a variance and proceed per code. We're very comfortable with them complying with the 20% reflectivity glass standard as opposed to the 15% that they were seeking to do for a portion of the project. They're going to use the 20% standard for the entire project. More exciting is we have agreed to work together, Travis audubon

[3:24:38 PM]

and endeavor, to explore and find and utilize bird-friendly techniques for this project. And we're hopeful that we're going to come up with a model for bird-friendly design.

[Buzzer sounding]

>> Mayor.

>> Mayor Adler: Yes.

>> Pool: Before Mr. Gunter walks away.

[Laughing]

>> Pool: I know a disembodied voice is coming from who knows where. I just wanted to thank you and Travis audubon for connecting up with endeavor, and the folks with endeavor for being willing to have

the conversation. I really appreciate what you said about the commitment on both -- from both parties to work together on this going forward. I think that can only have really excellent outcomes. I think the 20% reflectivity,

[3:25:42 PM]

which is standard for the city, for the entirety of the glass, especially on the waterway, is an excellent compromise. And I thank everybody for coming to that agreement. Thank you all.

>> Harper-madison: Mayor.

>> Mayor Adler: Yes, go ahead.

>> Harper-madison: I have considerably more superficial commentary. You should read Christmas stories, because your voice, it's fantastic. You should do audio books of Christmas stories. I think my kids would love it. Thank you for your commentary. It was delightful.

[Laughing]

>> Vela: Mayor, that's how he gets juries to go along with --

[laughing]

>> Craig naysar, item 84.

>> Hello, my name is Craig, conservation chair of the lone star chapter of the Sierra club, that's a state chapter, and that's an elected position. That's very good news to hear about the bird glass. I think that's excellent.

[3:26:42 PM]

I just want to add that, you know, Google built this beautiful building that's completely -- follows all the bird qualifications and they did that because the head of Google says, we're going to do this, because apparently Google likes birds. It's that easy. And the difference in price was .1% of the entire amount of money to build the building, so this is very do-able and it's very good to hear. Now, there's something else I want to mention. Do you like a road or a path where you walk down and the trees touch overhead? Do you remember that as a kid? Do you know how many roads in Austin I used to drive down because the trees touched overhead, and you can't do that anymore, because we widen the road.

[Buzzer sounding]

>> That path down there where the trees touch over the head is far more valuable than I think some realize. I would like to see that saved.

[3:27:44 PM]

Thank you very much.

[Applause]

>> John blumefield for item 84 and then Lilly --

>> [Off mic]

>> Mayor Adler: Thank you.

>> Lilly.

>> Hello. I am Lilly and I'm from district 8. I'm speaking on item 84, specifically where it addresses reducing bird collisions by limiting glass reflectivity on the Austin statesman P.U.D. The developer has formed a partnership with Travis audubon to collaborate on bird-friendly strategies. Actions such as this are important for us and for the birds. Window reflectivity is a critical danger for birds, confusing them into fatal window

[3:28:46 PM]

collisions which kill 1 billion birds annually in North America. This is a tragic loss of life and we can save them with the steadfast application of bird-friendly building strategies such as this partnership. Austin can be a leader and do good, because it is good. As a young person, I have hope for a better world where we value life. We have the power to make choices that will impact my generation of austinites and we care for our environment. Let's act to protect life and include environmental standards in the future and for the birds.

[Buzzer sounding]

>> Thank you.

[Applause]

>> Mayor.

>> Mayor Adler: Thank you for being here with us. And it's good to know that the proposal that's in front of us now is the one that you're advocating for. So, thank you very much.

>> Thank you.

>> Mayor, I also want to say thank you. As the rep for district 8, we don't always get a lot of d8 voices down here in city hall, and I really appreciate you showing up.

[3:29:48 PM]

>> Mayor, that concludes all the registered speakers we have for 2:00.

>> Mayor Adler: Okay. Colleagues, I think that gets us then to the consent. Do you want to take us through the consent agenda, Jerry?

>> Sure, mayor and council. The first item I can offer up is item number 61, case c14h20220073. I can offer this case for consent approval on first reading. Item number 62 is case c1420220070. This has a staff postponement request to January 26th. Related item 63, c14202020015, this also has a staff postponement request to January 26th. Item number 64, case npa20220022.01, a staff postponement request to February 9th.

[3:30:50 PM]

Item number 65, case c1420220101, a staff postponement request to February 9th. Item number 66, case npa 20220029.02. Sh, I can offer this case for consent approval on first reading and note that we will be bringing it back for second and third reading next week, December 8th. Item number 67 is related case c1420220118, I can offer this for consent approval on first reading that the note that we will bring it back on December 8th. Item number 68, case npa2022, this is a staff postponement request to January 26th. Item number 69, case npa201900201900, I can offer for consent approval on all three readings. Item number 70, I can offer this

[3:31:50 PM]

for consent approval on all three readings. Item 71, case c1420210185, I can offer this case for consent approval on all three readings. Item 72, case c14, I can offer this for consent approval on all three readings. Item 73, c1420220085, this has a staff postponement request to December 8th. Item number 74, case c81420210099, this is a postponement request by councilmember kitchen to December 8th. A related item is item 75, case c14r810133rca, also a postponement request to December 8th. Item number 76, 20220139, I can offer this case for consent approval on all three readings. Item number 77,

case c1420220077, I can offer this case for consent approval on second and third readings. I would like to note from

[3:32:52 PM]

councilmember Fuentes' office, we have a motion sheet that she would like to have added to the reading. And sorry, here it is. It would be to, on part 2d amend to say site plan or building permit for the property may not be issued if the completed development or uses considered punitively with all existing or previously authorized development uses generate traffic that exceeds 1,000 trips per day.

>> Mayor Adler: Is everybody in agreement with that?

>> Yes.

>> Mayor Adler: Thank you.

>> That would be added to item number 77. Item number 78, case c1420200143. This is an applicant postponement request to January 26th. Item number 79, case c1420210161 has been withdrawn by the applicant and no action is required. Item number 80, case c1420210189, I can offer this

[3:33:52 PM]

case for consent approval on second and third readings. Item number 81, case c1420220049, the applicant has requested postponement of this case to January 26th. Item number 82, case c1420220044, I can offer this case for consent approval on third reading. Item number 83, the neighborhood plan amendment related to the statesman P.U.D. Will be discussion. Item number 84 is the zoning case for the statesman P.U.D., also discussion. Item 85 is the restrictive covenant related to the statesman P.U.D., also for discussion.

>> Mayor Adler: What is 66 and 67?

>> 66 and 67 were offered for consent approval on first reading.

>> Mayor Adler: Okay.

>> With the notation that we'll be bringing them back on December 8th. It's the St. Johns city-owned property.

>> Mayor Adler: Everything is consent except 83, 84, and 85,

[3:34:55 PM]

I'm seeing. 61 I showed as consent on first reading.

>> For the staff recommendation.

>> Mayor Adler: What's the staff recommendation?

>> For approval.

>> Mayor Adler: Okay.

>> Is that on 61, because I show discussion.

>> Mayor Adler: It was just offered consent, so someone needs to pull it if it's going to get pulled. Right now the zoning agenda is items 61-85 and the only ones that are pulled are 83, 84, and 85. Is there a motion to approve the zoning? Councilmember pool makes the motion. Councilmember Renteria seconds it. Is there any discussion? Mayor pro tem.

>> Alter: Thank you. I just wanted to very briefly thank my chief of staff, who's worked on items 80 and 82, spacewood springs and Zimmerman,

[3:35:55 PM]

for quite some time. They've been interesting cases and he has made it so the rest of you only have to vote on it, so I appreciate his hard work on that to make it so we can move forward. Thank you.

>> Mayor Adler: Okay. Any further discussion on the zoning consent agenda? All right. Yes, councilmember tovo.

>> Tovo: Mayor, I would like the record to reflect my recusal on 69, 70, 71, 72, and I've filed the appropriate paperwork with the clerk.

>> Mayor Adler: Okay. Is one of these a S.A.F.E. Property?

>> Sir?

>> Mayor Adler: Is one of these properties for S.A.F.E.? Not this week? Thank you. What? Ahfc, okay. Thanks. Yes.

>> Vela: Mayor, I just want to highlight items 66 and 67 on the St. Johns redevelopment, very

[3:36:55 PM]

happy -- these are the rezonings, not the full agreement. But it's still great to see them on the agenda. And I just want to commit to the residents of St. John that we are pushing as hard as we can to get this project done, get the park built, and get the housing and the commercial developments there for the use and benefit of the area's residents.

>> Mayor Adler: Okay. Any further discussion on the consent agenda? Those in favor of the consent agenda, please raise your hand. Those opposed? I'm showing it unanimous, everyone on the dais. Before we leave the consent, I think we had a birthday yesterday. Joy's birthday was --

[laughing]

[3:37:58 PM]

♪♪ Happy birthday to you happy birthday ♪♪

>> Jerry, please know the thoughts of the entire dais are with you and your family on your mother's passing. All right. Colleagues, let's see what we can take care of now. We have speakers coming our way here in about 20 minutes on Austin energy, but let's look at the palm district plan. I think we're postponing this to February 23rd, 2023? Is there a motion to postpone this to that date? Councilmember tovo makes the motion. Is there a second?

[3:38:58 PM]

Councilmember Renteria seconds. Any discussion on this motion?

>> Tovo: We had an opportunity to talk about this on Tuesday. I'm super sad not to have the opportunity to vote on it, but I'm really excited to see this plan move forward and for there to be continued and renewed interest in that area, and really making it a vital part of town that fully recognizes the stories and really centers the stories of the Mexican American community that really built that neighborhood. I look forward to many more changes in this area that reflect, celebrate, and enhance that history. This planning effort is going to be a big part of that. Thanks to the staff and the community stakeholders who worked to create it.

>> Mayor Adler: Okay. Thank you. Further discussion before we vote? Councilmember Renteria.

>> Renteria: I'm also going to be sad not going to be able to vote on it. I went to school from first to sixth grade at palm school. I still remember, palm school is

[3:40:00 PM]

a mighty school. And if anyone asks you why, it's because we have lots and lots of pep. Palm school is a great school and we're mighty proud of it.

[Applause]

>> Mayor Adler: Okay. Take a vote. Those in favor -- I'm sorry? Yeah, those in favor of item 60, please raise your hand. Those opposed? It's unanimously postponed. Manager, please, record of the work session, the things we wanted that group to look at and speak to when it came back to the council at that period of time. I want to put it back into the record again today. Okay. We have the compatibility residential that I propose we take up in a bit. We have the statesman P.U.D.

[3:41:00 PM]

Which I propose we take up in a bit. We have the rate case which we'll start at least with speakers at 4:00. So I think councilmember tovo, that gets us to your real estate items. Do you want to begin with items 42-44?

>> Tovo: Yes. Thank you, mayor. And let's see. Are we starting Austin energy? I want to be mindful of our ability to try to get to the economic development corporation first, but since two colleagues pulled that I'm wondering if we could take up the parking one first. I'm thinking that might be the fastest, number 42.

>> Mayor Adler: I was thinking we would go 42, 43, 44.

>> Tovo: Sure. 42, and mayor, you had proposed an amendment. I'll move approval of my item.

>> Mayor Adler: Okay. Is there a second? Councilmember kitchen seconds that. Councilmember tovo, I had

[3:42:01 PM]

proposed an amendment which has been circulated on this item number 42, parking. If there's -- and the intent was to say we need to be taking a look at the parking strategies with respect to the economics of the deals, but we also on city-owned property need to make sure that we're taking a look at affordable access as well. And I just wanted to make sure we were considering that, too, or asking staff to consider that when they were looking at parking strategies. My understanding is that amendment may be acceptable to you.

>> Tovo: Absolutely.

>> Mayor Adler: Is there any objection on the dais? Hearing none, that amendment is incorporated. Further discussion, then, on this item 42? Councilmember pool.

>> Pool: I think -- I just wanted to let the author of item 42, my colleague, know that I think that this parking management strategy, this particular fc is much more thoroughly defines what that

[3:43:03 PM]

strategy should be. And I thank you for that, there are the additional work on that. So I strongly support this item. And I also support the amendments that the mayor is bringing. And so I'm a yes on item 40.

>> Mayor Adler: Okay. Councilmember tovo, I also urge -- I know you've been trying to get this through in various forms. You've been very responsive to the people. I appreciate that. Any further discussion on this item 42 before we take a vote? Those in favor of 42 as amended, please raise your hand. Those opposed? That passes unanimously. Okay. Do you want to bring up, then, yes.

>> Yes, item number 27 I had pulled. I have spoken with councilmember Kelly and I think we're good to consider that one. I have no issues with it.

>> Mayor Adler: Councilmember Kelly, do you want to make a motion for approval -- no. Do you want to make a motion to approve 27? Someone needs to move.

>> I'll move.

>> Mayor Adler: Councilmember Ellis makes the motion to

[3:44:03 PM]

approve. Is there a second to that? Councilmember pool seconds that.

>> For clarity, with all three amendments.

>> Mayor Adler: And we have three amendments. Any objection to any of the three amendments being added? Hearing none, all three amendments are added.

>> So that --

>> Mayor Adler: 27 sits as amended, all three amendments. Any discussion on it? Those in favor of 27 as amended, please raise your hand. Those opposed? 27, unanimously is approved. Okay. Thanks for letting us know that. That can move forward. Councilmember tovo, do you want to try with 43?

>> Tovo: Yes. Thanks, I'll move approval of this item.

>> Mayor Adler: Is there a second to this item, 43? Mayor pro tem, thank you. Councilmember tovo, I had published again an amendment on this one that I think tracked earlier conversations and understandings that you had given to the council. It basically has things that

[3:45:05 PM]

this does not apply to which were in your list. With respect to the convention center, it's a hybrid. It doesn't apply to this, but the manager has given specific instructions to engage the council in the conversation about living wages and better building or equivalent construction labor requirements as concerns the convention center. Are you okay with this?

>> Tovo: Yes. I regard those as very friendly and I'll note that on your motion sheet you picked up on something I hadn't picked up, which is I misspelled resolved. And so if we could edit that as well, that would be great. But those are very friendly amendments. Thank you for working with me on some of the language there.

>> Mayor Adler: Sounds good. Yes, councilmember pool.

>> Pool: Mayor and councilmember tovo, thank you for item 43. I have several concerns about existing leases to nonprofit organizations that could face an uncertain future with the direction here. There are times when the

[3:46:07 PM]

community benefit has a value that goes beyond achieving market rate rent. And just a few examples of this would be planned parenthood, town lake animal center, and even the long center. And the resolution does have language protecting these long-term leases like these, but it seems to preclude future important partnerships and leases with nonprofits and on other parcels. And the amendment, mayor, I think you were trying to get there, but I don't think the curing language that you offered actually gets us there. So if there's a way that you could adjust that language, that could help. I am concerned about the future of existing and future leases to nonprofits. And just generally I continue to have concerns on this item 43 like I had prior and through the various iterations of this real estate item. And so I will -- if it passes it

[3:47:08 PM]

definitely has to be fixed with regard to future leases for nonprofits, but the way it stands even with that change I likely will be voting no on item 43.

>> Tovo: Mayor, may I ask my colleague a question? So, councilmember, just to be very clear, this is not impacting long-term leases. It specifically calls that out as not impacting long-term leases already approved. And nowhere does the resolution talk about market value. It is absolutely the case that the council has approved leases to nonprofit organizations and will continue to do so. This simply responds to the audit finding that there should be a fair and transparent process that's used to make decisions about which nonprofits get those opportunities. And so if there's particular language that's concerning to you about market rate, please let me know, because I don't believe that's part of this. It just is protecting against

[3:48:08 PM]

the situation we have now where if you're a nonprofit organization that wants to locate in a city property, your best and frankly only avenue is to approach the staff about it or to ask a councilmember to sponsor a resolution. And so that's not something, frankly, that most nonprofits are even aware of. You would have to have the political capital and connections to reach out to a councilmember and know that that's the process and ask them to sponsor a resolution for you to be considered for it. And as the audit found and my colleagues may have additional information, I can certainly get into details about what the audit found. But the audit did suggest there needs to be stronger management of those and also more metric-setting for those nonprofit organizations and more accountability, but nothing in this resolution suggests that we shouldn't be leasing our properties to nonprofit organizations. It shouldn't impact any of our long-term relationships. And it absolutely doesn't require that nonprofit organizations leasing city facilities pay market rate.

[3:49:08 PM]

That's not at all the intent. So, again, I would encourage you to identify language here.

>> Pool: I can do that. It says that staff should focus on short-term leases for any groups that want leases. That limits it to short-term, which is exactly what I'm focusing on. I think that the language continues to be confusing. And for that reason, I continue to oppose this item. That won't work for any future --

>> Tovo: Councilmember, it says -- that doesn't say anything about market rate, again, because it's talking about discounted or subsidized rates for nonprofits. It says where appropriate the lease should be structured on a short-term basis to provide opportunity for the tenant to build a sustainable organization without being reliant. This is not talking about -- this doesn't impact at all our long-term leases. But in places and we have some downtown where the city owns --

[3:50:10 PM]

owns property and it may be a great opportunity to have a shorter term lease for five years for a nonprofit so that organization can kind of build and get on. But again, it's not requiring a market rate. It's not impacting pets alive.

>> Pool: And I wasn't talking about market rate, I was talking about the length of the leases. And that's the crux of my objections and my opposition.

>> Mayor Adler: Councilmember pool, I share the concern that you have expressed and have gone back and forth and discussed this with both councilmember tovo as well as the city manager. The concern

being that by having some language in here we might be suggesting a rule in absolute terms that is actually not a rule in absolute terms, but whether the staff would feel compelled to treat it as if it was one, because it had gotten a language which had spoken to the

[3:51:14 PM]

issue. Councilmember tovo in response said hey, look at the language that we have. The manager has assured me, and I guess you could speak to this, too, if you wanted to, manager, or if I don't represent correctly what you said that the manager would also treat the language, interpreting it as what the language says. As I look at the language here -- and I understand the position that you're taking and I'm not trying to dissuade you from the course of action that you've indicated. But just for my colleagues on the dais, for me, I'm okay with this one moving forward because it specifically does speak to new leases at discounted or subsidized rates. So this absolutely envisions that there will be subsidized leases and new leases at that amount. And we certainly have ten long-term leases like this that are coming up in the next several years, so it's going to

[3:52:14 PM]

be a recurrent issue. And what it says, then, is where you have a new lease that's discounted or subsidized, where appropriate there should be -- where we have those there should be metrics to ensure the community is getting what it wanted. I'm okay with that language, because if we're doing something that's subsidized on city-owned property to receive a community benefit, we should actually make sure we're getting the community benefit. I think that's what the audit spoke to. And then it went on to say where appropriate, it should be a short-term basis to give a chance to build sustainable organization. You know, there are some organizations that are providing benefits to our community, healthcare benefits or otherwise. And quite frankly, I wouldn't want that organization to be responsible for paying the rent. I'd rather them take their dollars and put it toward providing the healthcare to people in our community that might be vulnerable.

[3:53:15 PM]

So I see it as appropriate language to allow the manager to say we're not going to ask them to do that because we want them to use their resources elsewhere. So I understand what you're saying. My biggest concern is the staff would look at that and think we have to come back with another lease. But I think for me at least, the language allows for the flexibility we need.

>> Pool: What I would say -- I have a suggested edit for you that I'll read in a minute, but if the language isn't clear, crystal clear, the fact that we understand what we intend is great, but we're not going to be here 20 years from now. And that intent -- the legislative intent can easily, easily be lost. So, how about long-term leases and future leases approved by council with nonprofit partners?

[3:54:16 PM]

And I'm looking at your version here. And it would be, I think, the first bullet where you -- where it says long-term leases already approved by council. So, again, it would be long-term leases and future leases approved by council with nonprofit partners. So these constraints wouldn't apply to existing long-term leases and the future leases that we approve.

>> Mayor Adler: Say --

>> Pool: So I'm thinking it would be, maybe law should have a look at it. And I know they have scrubbed this language, but for me, it's not as clear as I think we need to be for -- because this is an area of ordinance-making, rule-making that could be a focus in the future. So I want to make sure that we're really clear.

>> Clarification --

>> Kitchen: Could you read that again?

[3:55:17 PM]

I'm sorry.

>> Pool: Or we could table it while I put it into the form of a motion.

>> Can I ask a clarification question?

>> Mayor Adler: Let's hear it again.

>> Pool: I think it's in the first bullet in the edit, the amendment that the mayor has. So that first bullet would read, long-term leases and future leases approved by council with nonprofit partners.

>> Can I clarify something? Are you trying to address the situation, say we have a lease with planned parenthood and eventually they can't re-extend it and we want to be able to have a process where we can say we want to continue with a long-term lease with this particular nonprofit? Or are you trying to say that you can never -- that we can't have a process if there's a new property that we're considering?

>> Pool: No, it's the former.

>> Okay.

>> Pool: I worry that we would be prohibited from having a long-term lease with our with our

[3:56:21 PM]

nonprofit partners that we highly value.

>> For the existing ones or if we were to enter into one in the future by the process, this policy would not prohibit us as a council from, say, establishing a new long-term lease when the other one expired for a long-term tenant.

>> Pool: So if there's a way that law could take that and give us crystal language --

>> That's the problem she's trying to solve. Whether you want to solve that or not.

>> Mayor Adler: Councilmember tovo.

>> Tovo: So, I think I'm understanding your concern, councilmember pool, primarily being around long-term leases. And it says here very clearly, long-term leases already approved by council -- this policy wouldn't apply to it. And I think what I'm hearing you say is -- and future long-term leases approved by the council. But I'm . . . If you're

[3:57:23 PM]

suggesting that the policy shouldn't apply to any future nonprofit leases, that pretty much renders moot everything we're doing here, right? Because we're trying to make this apply to future nonprofit leases, so I'm wondering if you're really just talking oak oak -- about long-term leases?

>> Pool: I'm talking about long-term leases and future leases by council, approved by council to nonprofit partners. And the examples I've given are planned parenthood and pets alive.

>> Tovo: And I've said again and again, by no means -- I'm 100% supportive of maintaining the lease to planned parenthood. It's excluded from being impacted by this because it's a long-term lease. I wonder, mayor, since we're trying to get to the economic development corporation one, if we could lay this on the table. Maybe my colleague can bring

[3:58:25 PM]

back an amendment.

>> Pool: That's identity like what I'd like to do.

>> Tovo: Apply to future nonprofit leases. That's what we're trying to do. We're trying to make sure that the process is going to be clear, fair, and transparent, so hopefully as we look at some of the vacant properties, we can rent some of those out to nonprofits and this policy would apply. There would be metrics, there would be checking back in, there would be a process that multiple places could apply to, so --

>> Pool: And that's the piece that I acknowledge that is the intent. And it is not clear to me that that intent survives time, because it isn't as clearly explicated in this language. So my staff is drawing up a motion right now that would allow future councils to approve long-term leases with nonprofits so that we don't lose --

>> On the table --

>> Pool: Thank you. That's what I'd like. Thanks.

>> Mayor Adler: Do we want

>> Mayor Adler: Do we want

[3:59:25 PM]

to do the ABC? We're going to lose some of the people I think involved with the adc, even though it's just a minute before 4:00, do you want to make that motion.

>> Tovo: Mayor, I would like to move approval of that item.

>> Mayor Adler: This is item number 36.

>> Tovo: No, it's not, mayor. Sorry. It's item 41.

>> Mayor Adler: That's it. 41. Is there a second to this item 41? Mayor pro tem seconds it. Discussion? Councilmember pool.

>> Pool: The aedc resolution continues to present issues for me. I laid out those concerns in questions for staff. I looked at the responses, and based on the responses I can't support item 41. One issue is that there are parcels in my district that deserve attention. They are quickly approaching the redevelopment stage. For example, the rosdale school campus which is off burnet road, it's in the

[4:00:26 PM]

heart of central Austin. While aedc will certainly include those parcels in their annual report, I don't want to lose an opportunity to focus on it. And so to preserve that opportunity to address this parcel quickly, I prefer the mayor's motion on 36 to stand as the path way to working closer with the aedc in general. So mayor, I support your substitute or amended version in -- over councilmember tovo's in item 41.

>> Tovo: She's talking about 36. We're on -- [inaudible - no mic on] Do you want to address it?

>> Kitchen: I can a question.

>> Mayor Adler: Councilmember kitchen.

>> Kitchen: I'm sorry I'm not understanding 36 versus 41. Are you suggesting, councilmember pool, that we not pass 41 and pass 36 instead? Is that what you are suggesting?

>> Pool: I think that the mayor's amendment is on 36, so yes.

[4:01:27 PM]

No on 41.

>> Kitchen: Okay. Can I --

>> Mayor Adler: I think what councilmember pool is saying is that she would prefer the substitute that I had -- that I had passed around that somebody has put in backup to 36 as a way to handle the aedc.

>> Pool: Right. And it has been confusing.

>> Kitchen: I'm going to have to look at that. Let me just respond. The items that are mentioned -- I understand your concern, councilmember pool, but I do not read this item 41 as picking properties to prioritize. These are properties that are already properties that aedc is looking at. So it's just acknowledging a list that aedc has already been reviewing. It's not intended to state any kind of preference.

[4:02:27 PM]

So if there's concern that it's stating a preference, then perhaps that language, you know, needs to be clarified. But that's not the intent here. This is -- it's talking about directed to enter into negotiations on las of the following properties. This is already an action that they are involved in, if I'm understanding correctly. It is not singling out properties to take precedence over other properties. Certainly that's not the intent. If it's reading that way, then perhaps it could be amended.

>> Pool: Right, and I appreciate that and I think that the mayor's item 36 gets to that more clearly than item 41. So I am putting my support on item 36 rather than 41.

>> Mayor Adler: Okay. So now that we understand the issue, I'm going to propose we put that on the table too and go to speakers on Austin energy to see if there's -- go ahead.

>> Tovo: Mayor, I just need to address some confusion that appears to

[4:03:28 PM]

have arisen. So the first version of 36 is the item that appeared on our agenda multiple meetings. It has been broken down into a series of very specific targeted resolutions, really prompted by, inspired by a comment the mayor made that there were too many things in one. There is a posted version 2 of 3 which is what the left. But the economic development corporation piece is now in 41 and it's very focused on the economic development corporation piece is very focused on making sure we've carved out a role for the aedc in their conversations with staff, which is critically important. And it is those four projects are identified because as councilmember kitchen said they are all city-owned tracts, some of which councilmember harper-madison pointed out, mayor pro tem Cole brought

[4:04:28 PM]

one forward in 2014, so these are four projects that have been pending for 11 Chicon, they are city-owned properties. I share an interest in rosedale school, but that's not owned by the city of Austin. These are for city-owned tracts we have talked about developing for a long time so it's appropriate to ask the economic development corporation to take a look at them and see if these are something that they can take up. If -- if there are other projects that bubble up that are city-owned properties, certainly those could be discussed with the aedc. This does not preclude other projects from coming forward, but it is specifically directing the manager to work with them. As our presentation suggested on Tuesday, the staff have already begun that work at look ago the the aedc as a potential partner on all four of those.

[4:05:32 PM]

>> Mayor Adler: Councilmember pool.

>> Pool: Just with regard to the parcels that are under consideration by aedc that were highlighted in the original piece that you brought, councilmember tovo, it did highlight four to the exclusion of any others and we didn't actually have the opportunity to go through and say whether there was something in a different district that we would like to have included. So that actual selection process is missing. And so that has always formed the basis of my -- part of my objection to that approach.

>> Tovo: Mayor, like the other one, I'm happy for there to be language added that suggests -- it was not meant to be exclusive. The aedc has already engaged working on a property on east 11th street, on various other properties around the city. And so this is -- this is meant to highlight those four because they are pending and some of them have been awaiting action

[4:06:32 PM]

now for more than a decade. But certainly I don't think there's any language in here that is exclusive to those. It's simply bringing those to the attention. And importantly, you know, there are two directives. The first is direct our staff to partner with the aedc on sales, development, other kinds of opportunities because that's the reason we set it up. We set it up to do these kinds of real estate deals for the city of Austin. And so I think it's important to make sure that our process supports that partnership from the beginning. So that we can get value from that -- from that entity that we all set up. So again, that's really the substance of what this does. It makes sure that it is -- that the aedc is embedded within our process and it asks the manager to particularly negotiate around those four properties with the aedc. And I would welcome, mayor, if we might have to give them a heads up because I think they are upstairs, I

[4:07:34 PM]

would welcome the aedc's participation on this if my colleagues have questions.

>> Mayor Adler: Councilmember Fuentes.

>> Fuentes: Thank you, councilmember tovo. That's what I was going to suggest. The points councilmember pool is raising is concerning to me on this item and so I would like to see if staff is available to answer some questions.

>> Mayor Adler: Okay. So the staff here now or do we want to bring down aedc staff to also talk about it?

>> Kitchen: Mayor? While we're waiting, could I say one other thing.

>> Mayor Adler: If staff would come on down. Yes, councilmember kitchen.

>> Kitchen: I just want to point my colleagues to some language that's in that bullet that seems to be causing some concern. It says are in process -- it's giving examples. Or projects undertaken such as or in process prior to

[4:08:35 PM]

the date of this resolution including. So it is simply giving those four as examples that were in process prior to the date of this resolution. It's not intended to be exclusive language 'at all and it's not -- it's not engaging in any kind of selection process. It's just providing examples.

>> Mayor Adler: If you would, and I think the other question to ask would be -- we got a memo from aedc about their ability to do reviews without funding to be able to do reviews. If you could also ask about that, that would be helpful.

>> Tovo: Thank you for being here. There's one about the calling out of these four properties would mean -- would be exclusive of any other opportunities. And then the other is kind of what your process has been with the staff in terms of ability to take those on. Financially.

>> Yes, so I think starting back with the four

[4:09:35 PM]

properties that are listed, we would have to enter into addendums just like we've done with east 11th and our other. We have negotiated injection addendums to our interlocal agreement. We've started through our cultural trust properties, we've identified several properties. We're working closely with city staff, with real estate on a every other week basis looking at and assessing, but we're trying to look at underutilized properties. So some of those properties that you see, the four listed, none of those have been negotiated addendums. They would have to be entered into. So I think the question is how those four were selected, and I think it's because there's been years of conversation leading up to. And so the only one that I think -- well, I'm not going to speak to the four, but none of the four have -- are in my purview for the Austin

[4:10:35 PM]

aedc today. I think does that address the question?

>> Tovo: And if this passes, are those properties properties that you would be interested in having conversations with our staff about? I'm asking that question knowing you already are.

>> And in partnership. To continue the conversations we've already been having, but I think this helps. I mean we've been talking about what land to convey to the Austin edc, and giving this direction would be helpful, but again, it would be in partnership with the staff continuing the conversations that we've already started.

>> Mayor Adler: Does anybody have additional questions? Councilmember kitchen.

>> Kitchen: I think the other -- as I mentioned before, they are intended to be examples because they are properties that we've worked on for quite some time. But they wouldn't be exclusive, right?

[4:11:36 PM]

I mean, just because we're mentioning these four here doesn't mean that you -- there couldn't be others. If councilmember pool has properties she's concerned about we could add these.

>> City staff has been looking at these for years to try to better utilize properties. So how do we enter in -- we would only be engaged when there's the benefit of utilizing the Austin edc, whether that's new market tax credits, philanthropy, historic tax credits. Those are the benefits I believe to help develop some of these properties what we were designed to do.

>> Mayor Adler: Yes, councilmember Ellis, Fuentes.

>> I don't have specific questions, but I just hear councilmember pool's concerns and a little leery about moving forward without having some of those concerns eased up a little

[4:12:37 PM]

bit. So I'm just a bit leery of approving something that seems like there's pretty major details we're not sure we've worked out quite yet. Just want to be sure we aren't being hasty.

>> Tovo: Mayor, could I ask councilmember Ellis or councilmember pool to articulate what those are? I think, director Alvarez answered the question about whether this is exclusive. Councilmember pool.

Could you articulate the concerns and allow director Alvarez to respond to them? You had mentioned rosedale school and the exclusivity of the properties mentioned here, and I think that one has been addressed. But I really -- if there are concerns, I hope we can be really specific, councilmember Ellis, councilmember pool, about what these are so we have opportunity to address them.

>> Pool: Actually part of the problem is because I have not drafted up the list of selected properties that

[4:13:37 PM]

I would like aedc to consider, other than that broad one that we had a couple years ago because the process wasn't in place, it came to us with selected properties already on it to the exclusion of the others. I question that aedc has the funding and the staffing and the staffing expertise to do a larger effort than what they are currently and engaged on. And so I think that the intention -- I understand where you are headed with it. I don't think that the city and this particular department is yet at a maturity rate as being a department and an office, it's only been, what, two years if that since we created aedc. I don't think they are ready for this full-blown process. And so that's -- that's basically the sum total of my deeply held, sincere objections to this piece from the very beginning. I don't think they are ready.

>> If I could respond to that. I hear what you're saying and you are correct, this

[4:14:39 PM]

council did just create us two years ago and there's absolutely no way we could accomplish anything without our partners on the city staff. At this point we're very dependent on the city that, you know, over time will shift, but we would definitely have to work with city staff the way we have been on east 11th. That's a good example of land that we're working on currently, working with our housing partners there, our board members. I mean so it is in step with what we're -- I would see these the same. But I hear what you're saying in terms of being in the organization.

>> Pool: I would like you guys to have a little more runway of time in working with EdD and city financial office and all of the other departments that are involved in order to kind of get your feet under you, and then you can prove up that you're ready for a larger, fuller-blown -- literally to take the lead, which is councilmember tovo's initiative is imagining. And so as a direction that

[4:15:41 PM]

that is a aim and a goal and a place that you want to get to, I think it's -- it's very worthy and quite valuable. I don't think we're there now and I'm deeply concerned and hesitating and reluctant to authorize y'all to take the lead on something where there's just simply not yet prepared. You will be soon, I feel certain that you will be.

>> Agreed.

>> Kitchen: Mayor, could I make a suggestion?

>> Mayor Adler: Yes.

>> Kitchen: I think this is going to require more conversation. I'm concerned -- the reason I support this is because I think if we don't we're slowing down aedc. There's already been a lot of barriers placed in front of aedc, and the purpose of passing this was to speed up their ability to respond. I'm hearing concerns that we need to address, so because of our time line and wanting to, you know, take up Austin energy at 4:00, I suggest, mayor, we put this one aside

[4:16:42 PM]

also as well as the other two that we have because I'd like to have some more -- I'd like to have a lot more conversation before we say we don't want to support aedc.

>> I don't think this is about supporting or not supporting, to be clear.

>> Kitchen: I didn't mean it that way. Support -- the rest of the sentence is support aedc in their ability to move more quickly and their ability to work more nimbly with the city. Which is the reason that we created them in the first place, and they have been encountering barriers that has been made it more difficult for them to move quickly. I don't want to speak for councilmember tovo, this is her resolution, but I think the intent is to make it clear that our original purpose behind aedc is to allow them the flexibility to work more nimbly, and

[4:17:43 PM]

that's not happening in a lot of ways. For.

>> Mayor Adler: Councilmember Ellis.

>> Ellis: I think we all want to see aedc's success. I was created when we -- I was here when we created the aedc. I think we're having a difference of opinion exactly how to move forward with this one, but by no means is saying we don't all want you to succeed.

>> I have felt the support from council, staff, community all around. I don't take offense to that. I understand what you are saying.

>> Mayor Adler: Is this in the same category as the others, we should take this break and look at it and you help us come up with language that both addresses the need to make sure that you can jump on these properties if you want to, but also makes really clear that you don't have to jump on anything and that you have the ability at the threshold place to say whether or not this is something that you're ready

[4:18:43 PM]

to and want to pick up. And if so, then the staff is -- needs to talk to you about it, which is what I think is the intent.

>> Yeah, one last thing I will say on two of the properties that are related to cultural trust, two of those sites we do have -- just like we're doing on east 11th where we're doing pre development services to look at what can be done, there is dollars set aside for that through the cultural trust, and that's for two of those properties. Another one we would definitely have to work with the Austin housing finance corporation, so as councilmember tovo said, we have been talking about these four properties because they are in the works. We meet every other week with real estate and the sfg team, so those conversations would continue.

>> Mayor Adler: Maybe during this break it's good to talk to councilmember tovo's office because it's a perception that you are running into potential roadblocks or that there's some barriers that she's

[4:19:43 PM]

trying to clear. You're also saying you are already involved in the conversation. So if there's an opportunity for us to recognize -- obviously you are able to do something now, but if there are barriers or roadblocks --

>> If I could address the roadblocks, basically they are in our interlocal agreement. I've had talked with with our board and what needs to change in our interlocal agreement. It's not -- the barriers are within some of the language within our interlocal agreement that need to be changed. Just this morning with my board was discussing possibly sending a memo to the council just to address it's mostly section 7 in

our interlocal agreement as relates to real estate. So that -- we're working through those barriers as well.

>> Mayor Adler: Maybe, Kathie, there's --

>> Tovo: Can I just close out the conversation, I'm happy to -- we have been working and I've been sharing the draft, but I would welcome any suggested language that makes it clear

[4:20:43 PM]

that these four projects are not to the exclusion of other projects. As you pointed out, you already have dollars set aside for two of the four, and in the presentation we talked about on Tuesday, you already in partnership. So what we're doing here is really affirming the continued conversation and negotiation around those. And then again the other direction makes it clear that when the staff is -- when the city is undertaking the redevelopment of properties, that they will reach out and talk with you about your interest level. Is that something generally you've had an opportunity to review it. Is there anything in this resolution that concerns you or do you feel this supports -- I hate to put you on the spot, but do you feel this supports your work and mission?

>> I feel it does support our work. I think what I'm hearing is the lead part concerning to councilmember pool. If changing the word to partner, if that solves part of the problem.

[4:21:44 PM]

>> Mayor Adler: I guess part of the concern we can address during the break, we can be clear about what is the challenge we're trying to solve so we would be more specific on what little we're trying to solve. I think that might be what's missing. Let's go aheaden put this one on the table too, 43, 44 and 41 put on the table. Let's move if we can to the call for speakers. On Austin energy. How many speakers do we have signed up?

>> It looks like about 27.

>> Mayor Adler: Okay. So let's have the speakers. I don't remember if we said how much time each one has. I think it was two minutes.

>> I believe that's what you said.

>> Mayor Adler: If you would call the Austin energy speakers, two minutes a speaker.

>> Okay, starting with the remote speakers, the first is amber mills.

[4:22:47 PM]

>> My name is amber mills. I'm a [inaudible] At move Texas and district 3 resident. With the cost of building and rent prices having skyrocket over the past year, young austinites including students and working families are struggling to make ends meet letting alone saving up for future. It's not [inaudible] Especially as the impact will be most felt by lower income households while larger high energy using customers can see their bills lowered. Voting to pass this rate directly contradicts the -- outlined in the climate equity plan, increasing energy efficiency and improving equity. We believe council should be working more closely with residents to understand their circumstances and receive their input on measures to help our community like addressing the affordability crisis and expanding clean energy rather than burdening working people. I ask you -- any other rate

[4:23:51 PM]

increase that unfairly targets working and young people. Thank you.

>> Wilson strain.

>> This is Wilson strain. I would like to emphasize that Austin energy is a public utility. Public utilities should be protecting our low-income working class, not targeting the most with rate increases adding up to hundreds of dollars per year.

[Inaudible] By these rate hikes. While the highest -- who can already afford to pay their fair share there see their bill lowered. I've lived on Riverside in district 3, but I'm a student at U.T. Austin. I actually just finished one of my final exams and that's why I couldn't be there in person to give my comment. Living in Austin is already

[4:24:51 PM]

so expensive and it is rate increases like these that will make my living situation and my neighbors entirely unmanageable. As a resident of Austin, I'm asking the city council to vote no on a base rate increase of any size that will impact Austin's working families. We cannot afford it. Instead I stand with local community, labor and climate groups calling on Austin city council to adopt the people's utility platform and hold on to energy accountable to providing affordable electricity to working people respecting their utility workers. And expanding clean energy act as working families to keep our grid reliable and our bills low. Thank you.

>> Mayor, that was all the remote speakers we had call in. I'm going to switch over to in-person.

>> Mayor Adler: Thank you.

>> First speaker Susana

[4:25:53 PM]

Almanza.

>> Good afternoon, mayor and city councilmembers, those that are present and that we can see. My name is Susana Almanza and I'm with poder. Austin city council doesn't realize how -- how impactful the raise is because on your salaries it doesn't matter to you how -- a 15 or 25-dollar increases. What I brought today is to show you what -- what people are doing. For \$15, and I have the

[4:26:53 PM]

receipt for HEB. You can feed a family of four for one whole week. I have here spaghetti, sauce, tomato sauce. A bag of rice, a bag of beans, oatmeal, a stack of corn tortillas, and then a bag of potatoes. This whole groceries here was \$15.30. If you are part of the poor and the working poor, this will feed a family of four for a week. So that's -- I'm bringing this forward so that you will realize, your salary, you can compensate and you won't notice a difference. For the poor and working poor, this is what it means. That's why I want to demonstrate to you so you will know if you didn't grow

[4:27:53 PM]

up poor and part of the working poor, you will have no idea of the struggle that people have every day. So I'm here to let you know that it's an injustice. This rate hike is an injustice to the poor and to the working poor and it's time that you need to stop that. You need to stop that, you need to freeze your salaries. Maybe you'll have a better understanding of the struggle that people have. You know this is the most unaffordable city to work in. And when we had a majority of people of color forced to live east of 35.

[Buzzer sounding] Please do not pass this rate hike. Thank you.

[Cheers and applause]

>> I should listen to Suzanna again when you --

>> Mayor Adler: Thank you. Hey, hey, hey, hey. Wait, wait, wait. Wait, wait, wait. It's just been pointed out to me. Just relax. Let's find out what people

[4:28:54 PM]

are -- who do we have?

>> Give her statement to the whole council.

[Cheers and applause]

>> This is an important person speaking.

>> Mayor Adler: I understand that. Thank you.

[Applause]

>> Mayor, can I say something? I want to apologize and I would like to -- if it's okay with the mayor to ask Ms. Almanza to come back up and I would like to apologize for having stepped off.

>> I too would like to apologize. I needed a break to go to the bathroom. I was listening remotely.

>> Mayor Adler: Ms. Almanza, why don't you come back up.

>> Thank you so much, Roy Whaley and everyone here from -- making sure we have a quorum when we talk about such an important issue. What I had demonstrated is for a family of four, you could feed a whole -- that

[4:29:54 PM]

family for one week. Me, and I have the receipt, \$15.30. For councilmembers on a salary, we might not think that's a lot. But for the poor and working poor, what it buys, spaghetti, spaghetti sauce, tomato sauce, four boxes of what you call vermicelli, bag of rice, beans, tomato sauce, corn tortillas, oatmeal and a bag of potatoes. This is a whole lot. This is -- when you raise that hike, this is what you're taking. You are taking it out of the mouths of a family for an entire week to feed. We're asking you not to raise the rate hike and to understand what it is that the poor and the working poor have to struggle when you continue with these rate hikes. Thank you.

[Cheers and applause]

[4:30:55 PM]

>> Kieba white and then Paul Robbins.

>> This you. Is this on? Thanks. Kieba white, I work for public citizens office here. You've heard from us a bit. I want to thank Suzanna for the point she's making. I think it is really the point all of us as consumer advocates have had in our heads and in our hearts as we are trying to advocate for a rate design that is fair in alliance with the policy priorities that this council, I think, shares with a lot of us. And so first of all, I think you are going to hear from a lot of participants in the rate case. We believe you should wait and not vote today. A lot of information has been shared this week. There are I think additional questions outstanding, so we encourage you to take the additional week and get this right. Secondly, when it comes to

[4:31:56 PM]

the rate design, regardless of what revenue increase y'all decide is appropriate, I urge you to make sure that that rate design is structured in a way that does not increase the fixed fee more than the two

dollars that you've heard from a lot of people. It is absolutely possible to do that. There are numerous scenarios that allow for that to happen. And that you ask for the cost impact, the bill impact for the various residential customers as they move up those tiers. Because what you'll see is that most of the scenarios being shared with you still result in a decrease for those who are using the most energy, while those who are using the least energy, because they are trying to do the right thing for the environment or because they have to cut back in order to feed their families, that those people are going to get significant increases in all of these scenarios. So please ask for that detailed information that has been shared with many of

[4:32:58 PM]

the participants. But I'm not seeing that as a focus of the presentations that you all are getting. So -- and I guess the other thing is --

[buzzer sounding]

-- Scenarios, I'll wrap up, that you all are getting responses back to the cost allocation between classes varies from what the joint consumers have advocated for that is a broad coalition and I urge you to look at that cost allocation between classes to guide you. Thank you.

[Applause]

>> Paul Robbins. And then Adrian meseus. Adrian meseus and then Celine rendone.

>> Good afternoon, mayor, city council.

[4:34:01 PM]

My name is Adrian, with poder's young scholars of discuss advertise. Please vote nonage rate increases. These increases target low-income workers and energy efficiency consumers. The cost of living in Austin has skyrocket over the past years, seeing how rent prices have doubled just last year. Austin working families are struggling to make ends meet, but now with the rate increasing for energy and electricity, families are going to have to make difficult decisions. On the other household necessities like groceries and medication. Austin low energy users deserve better. As working families make the city of Austin run in the first place. As a resident of Austin, I'm asking the city council to vote no on the base rate increase. I stand with local communities, labor and climate groups and hope one day that we all can have affordable and clean energy for all. Thank you.

[4:35:01 PM]

[Applause]

>> Seline redon. Craig taser.

>> Hello, good afternoon. Since 2020, my rent has increased \$500. The majority of my paycheck goes to my rent and utilities and with the current cost of living in Austin, it's been living paycheck to paycheck. Despite trying to cut costs and working extra jobs. This story is not unique and for families and the working poor as mentioned, matters are only getting worse in Austin. Many renters like myself are living in units that are degraded, not up kept within with extreme weather events it's making living situations worse. I'm only here today because I heard from a colleague about the item that's being voted on. Please consider the inequity of energy rate hikes and how you can help and not hurt

[4:36:03 PM]

austinites. City council has made commitments and claims over and over to fight for climate equity, yet here we are having to make our voice heard over something basic such as our energy bill that disproportionately -- I stand with the climate justice communities that are present and the labor groups that are fighting for clean energy and affordable Austin for all. Thank you.

[Applause]

>> Craig mazer and then Jean cherry.

>> Hello, I'm chairman -- conservation chair of the lone star chapter of the Sierra club. This is a very complicated issue, I get that. It's a difficult issue. I just will say that on social media, which we dangerously go on from time to time, one of the

[4:37:03 PM]

arguments being made by people who hate renewable energy is that it's making our electricity more expensive. And a big rate hike right now feeds into that argument. So at -- one thing we could do, the information I hear from Austin energy about why they need this rate case, I'm not sure that that information is accurate because it's a projection. There is some questions about that. One possibility is to have a much smaller increase for one year and see how things come out. Because if you make a big rate increase over a number of years and we get locked into it, what you're going to have, not only is it inequitable, but it puts us further back from our goal of fighting climate change. So please go carefully here. One thing I have not heard from Austin energy I would

[4:38:03 PM]

like to hear is their plans, their long-range plans for moving forward. How we are going to morph our electric utility into something that will work in the future in a much warmed world. It's in my email I sent to you where they are not just selling energy. That's not the paradigm because more people are going to be able to make their own energy through solar cells or own houses or through groups it's going to change. I have not yet heard a business plan of the future, and that will help you make a better decision on a rate case like this. Rather than just do something that's just going to make a lot of people angry.

[Buzzer sounding] Thank you.

>> Mayor, I have a quick question. Mr. Naz er.

>> I had a question. Tugs during work session, Austin energy presented a couple proposals for us to

[4:39:04 PM]

consider, that included a gradual increase of the customer service charge. Can you share your thoughts on that proposal?

>> Okay, the increase of the service charge, this is kind. Major thing that is inequitable. Because if you raise it a lot, it's just -- it makes everybody pay more and the people who are the poorest can least afford it. It also -- to some extent this incentivizes people who want to go solar. At best, it's five years or more to pay off for, you know, for solar panels, at best. And what happens then is it makes it longer to pay off those panels. And Austin energy has a pretty good program right now for encouraging people to go more solar. What we need is community solar. Where people, where people can buy into it. We did that for homeowners years ago where you could

[4:40:05 PM]

pay extra money and -- you had to do it out of the goodness of your heart. At the time I couldn't get my partner to pay into that. This is years ago. It made it difficult. But you have to keep this incentive for people -- everyone, everyone, not just people who have a little extra money to go -- to invest in renewables.

>> Thank you for your head back.

>> Thank you.

>> Mayor Adler: Thank you. Next speaker.

>> Jean cherry, and then Hanna Hughes. No Jean or no Hanna? Hanna.

>> Hello, city council. My name is Hanna Hughes. I'm a five-year apartment resident of district 9 and

[4:41:08 PM]

I'm against the Austin energy rate increase, specifically the proposals that will hurt the low-income residents of Austin such as the usage rate and the base rate \$25 a month. In my prior -- a former low-income U.T. College student just two years ago, I know and they know that the general cost of living increase, tuition costs and rent increases, that these students put these stunts at a precarious spot and thus increasing monthly utility will put a further strain on students who have to work through college. It's not just students who find themselves in this spot. The vast majority of hourly jobs do not provide wages to live within city lines. Practically every individual living paycheck to paycheck will be pushed to the extremes. To the increase of monthly costs. I understand from Austin energy's perspective that flattening the usage rate,

[4:42:09 PM]

condensing tiers may seem like a very small ask of residents, but what feels small always becomes a large thing. Everything life adds up especially bills when you live in such an expensive city. The final point I want to make is a simple one. Around half of this current council will not be returning to the dais next year. For those leaving what do you want one of your final acts to be before you return to your life as a simple resident of Austin, I hope you choose to vote against the current rate base plan to ensure all rants of Austin can attempt to keep their current quality of life and current monthly expenses. Thank you.

>> Kimia factory and Lana Murphy. Lana murder if I.

-- Murphy. Then Pedro Hernandez.

[4:43:13 PM]

>> Hi, I'm an economic student at U.T. Austin and I'm here to talk about the economics behind y'all's plan. So basically the power that you guys have as a monopoly is you have price discrimination power. Which means you guys can charge people who can afford to pay higher rates higher amounts and make more of a profit, right? Your bottom line is suffering right now, right? And if you look at it, like the proposal talks about the residential sector and how you guys are subsidizing it so much more than the small and large -- small and medium businesses and the large businesses, right? The problem is is that in your plan, like you guys are trying to reduce that subsidy, right? But that's not what you are supposed to be doing as a public utility, right? That subsidy is good, right? That's what you guys are supposed to be doing.

[4:44:13 PM]

The problem is in your proposal, like if you look at figure 6a, you are raising the overall costs for small and medium businesses and residential people and not these like large businesses. The thing is is that these large businesses, like they are coming to Austin. These tech companies are coming to Austin. Demand for large amounts of energy is rising, right? And if you look at it between 2016 and 2019, the demand for these large companies rose 11%. For the small and medium businesses, it only rose 2%. I'm here to tell you if you are looking to improve your bottom line, from an economic standpoint, this isn't the way to go. You know? What's happening is is that you -- like if you guys just got like a group of ph.d. Students majoring in economics, I'm sure they would do this for free for their resume, you could come

[4:45:13 PM]

up with a way more economical plan based on economics --

[buzzer sounding]

>> Thank you.

[Applause]

>> Pedro Hernandez, and then Tess Ortega.

>> Good evening, council and the dais. My name is Pedro Hernandez with poder and I'm a community organizer. Also I am with -- I live in the community of montopolis, one of the poor effort communities in the city. As a community organizer, I also am working with the homeless community in montopolis, and in doing that my bill is higher than it should be because I allow them to get groceries from me, take showers at my house. With this rate hike, I won't be able to do that. It's going to hurt me a lot and it's going to hurt what

[4:46:14 PM]

my passion is which is to help the community, and that's not going to work. Y'all need to not raise these tax rates. Thank you.

[Applause]

>> Tess Ortega, then Valerie Menard. Valerie Menard, then Shane Johnson.

>> Good afternoon. Is this on? Good afternoon, council and mayor Adler. I'm glad to be here. I don't normally come to city council meetings. I came to Austin in 1982, 40

[4:47:15 PM]

years. I felt I had to because so many other citizens, their concerns are not addressed because they don't have the time to do this, but I'm making the time to do this. In 40 years, I've seen the city change so much and I wish I could say it was for the better, but it really has not. So here's another opportunity that we could either make the quality of life better for other austinites or we can make it harder. And that's how I feel, that's the path we've taken is making things for harder, more complicated, more expensive. You can change that. I want to plead specifically to the councilmembers and mayor who are leaving. Considering your legacy, please. The votes you're taking in these last few meetings. That's how you will be remembered. So take a chance and say, you know what, maybe this is not the time for us to make such a devastating decision. I'll wait. Or we'll let the new council resolve this. We need to make sure that we

[4:48:17 PM]

protect folks who can't be here, \$15, that's a lot of food. I can afford the rate hike, but I'm also angry because these folks can't. The other thing, I also do my part. I recycle. I let it mellow and it's gross, but I'm the only person in the house so it's okay. This doesn't make sense. It's not right. It's not going to make living in Austin easier or better for any of us. Thank you.

[Applause]

>> Shane Johnson. And then Scott delgado.

>> Good evening, councilmembers. Shane Johnson. I use he pronounce. District 7 resident as is the rest of my family. So first I'll take about 30

[4:49:17 PM]

he could you're seconds to say how hard is it to implement a five-minute break before the start of a public hearing. I'm never -- as a guy, I'm never going to shame women for needing the bathroom for any reason, but mayor and council deciding to start the meeting when there isn't even a -- a quote unquote public hearing when there isn't a quorum on the dais is disrespectful to the public. I want to remind you all of that. And then, you know, as you all have heard numerous times about how egregious this rate hike is, from raising -- \$15 a month goes a long way, as Suzanna mentioned. But and raising costs on residents, residential side while lowering it on large companies, et cetera, you've

[4:50:18 PM]

heard that a million times. And even more so Austin energy seems to be, you know, not always providing info in a timely manner. You have to delay the vote today. It's the only reasonable option from almost anyone in the general public from the outside looking in. So please do that to be able to help the people of Austin and not lock in a decision that you don't fully understand and that is going to cause harm, particularly to low and moderate income people. I'll wrap up by saying yes, you do need to expand cap, but that is not the solution to this rate hike. It's a red herring. Some councilmembers frankly even know that and are supporting the rate hike anyway. There is no amount of expanding cap that --

[buzzer sounding]

-- Will off set the inequities in this rate hike and low subscription to cap anyway. That's a multi-year problem. That will not solve the

[4:51:19 PM]

inequities in this rate hike. Delay the vote and fully consider the options before you. Thank you.

[Applause]

>> Scott delgado, and then Brianna Griffith.

>> Hello, council. My name is Scott delgado, I'm from district 7. Like everyone before me, I've come to speak against Austin energy's proposed predatory rate increases. When the rate increases came out, I decided to look at the proposed rate and see how it would affect my bill on average. My bill would go up 60%, which would come about \$350 each year for me which is not something I can afford. This is the very definition of a price shock. How am I supposed to account for this drastic change with rent and grocery prices also increasing. A city I've called home for

[4:52:22 PM]

over 20 years is becoming unaffordable to live in. Other proposals have been pushed forward that suggest that Austin energy only needs a fraction of the proposed amount. Since Austin energy is a public

utility, it should be protecting the lowest income consumers, not punishing them with higher rates. If Austin energy is in such dire straits as they suggest, why are those that use the most energy getting a decrease. With the proposed changes, about 2800 kilowatts per hour would be receiving a discount on these new rates, which is ridiculous. I believe that Austin energy prides itself on attempting to and inventivizing and conserving energy and I don't see how this new tier system will benefit that. So I suggest that all city councilmembers vote against this rate hike or at the minimum wait until there is

[4:53:24 PM]

more information.

[Applause]

>> Brianna Griffith.

>> I'm just going to say similar things to last time I was here which is Austin energy doesn't really have any idea how much they actually need to raise. So that these numbers are based on complete fiction. These numbers are based on Austin energy's just ridiculous distortions. I ask we vote this down, that there be no new rate hikes for people. One of the things I ask, besides simply being against the rate hikes as written by Austin energy, one of the things I'm worried about there's going to be a quote, unquote, compromised solutions between the rate hike that hurts the most and no rate hikes. Some of this I think is a concern about this cap spanning, which is good. I would never say don't

[4:54:25 PM]

expand people's access to cap that allows us to off set costs. Ultimately this means testing as people have said, this is not enough and it's also ridiculous that poor people are always means tested as to what we're allowed to, you know, what assistance we're allowed to receive by the rich, more or less. But one of the things I have not seen means tested at all that needs to be means tested, is the number of if this - if these rates are hiked the way that they are planning or if these rates are hiked at all, what are the actual numbers of people who are going to be thrown out of their house, the number of people who are going to go bankrupt. If the rates are raised, how many people come next year will have to choose between feeding their family and paying their bills. Or get evicted. And so that's the -- that's the means test we need to do. The truth is we have no idea how many people this is

[4:55:26 PM]

going to ruin, but if this is at least one person who is ruined by this, if there's at least one person who is on the street next year as partially --

[buzzer sounding]

-- Because of these rate hikes, it will be the fault of this council and Austin energy. We ask that these rate hikes be voted down entirely. No new rate hikes on the poor.

[Applause]

>> Stephanie cortay and Paul defiere. Paul defi ere. Daniel Dillon.

>> Good evening, everyone. I'm Paul. I'm a law student at U.T. Austin. I don't have too much to say other than to echo the comments that have already been made tonight and urge you all to at least postpone

[4:56:26 PM]

this vote and ultimately to reject the base rate hikes. As you have heard in everyone else, they will have a disproportionate impact on low-income residents and there's no justice in that so I urge you to reject them. Thank you.

[Applause]

>> Daniel Dillon. Andrew Forten. Andrew Forten. Joe Hernandez. And then Toga Pendrake.

>> Good evening, city councilmembers, Mr. Mayor. My name is Joe Receive and almost seems to be a rarity, I'm an Austin native. I was born and raised in Dove Springs, which is in district 2 and currently

[4:57:27 PM]

represented by councilmember Fuentes. I'm a journeyman electrician and lead organizer for the international brotherhood of electrical workers. I serve as chapter president of the electrical workers minority caucus. Growing up in this city I witnessed a lot of change. Unfortunately that change, a lot of that change negatively affected working class families. Whether increased property taxes, making it nearly impossible for life-long residents to continue living here, overpolicing working class neighborhoods that as they became gentrified, or perpetual rising energy costs that we're discussing today. With increasing the utility bill of Austin residents will most certainly negatively impact the 1600 members my union represents. With inflation rising and cost of living continue to go skyrocket, the last thing working families need is their elected officials or elected representatives being a party to added

[4:58:28 PM]

financial stress. Although I understand that maintenance, that improved living conditions and progress costs money, what does it say about us if we allow the things that were meant to help, that were meant to help residents ends up being yet another catalyst for gentrification and for displacement. Please, I implore you, do not be complicit in the ongoing financial burden plaguing working class families in Austin, Texas. Thank you for your time and leadership and lead the floor to Mr. Chairperson.

[Applause]

>> Choga Pendrake, and then Gus Peña.

>> Howdy, howdy. My name is Toga, a union

[4:59:36 PM]

apprentice born and raised in Austin. In 2021, my house rent went up \$450. Last year my rent went up \$250. Right now, my house is set at 64° because if I got it any higher than that, when it's 30° outside, I'm going to not be able to have a place to live. I work. I'm looking for a second job. I go to school. I have a kid. And I'm really trying to have a place to stay in the city where I was born and the city where I work. On top of that, I'm being told that -- sorry. That councilmember pool led an aggressive effort to approve a 40% salary increase for councilmembers when that's something that I can't vote for, that's something that I can't get, that's something that I

[5:00:37 PM]

need, and that they fought against a \$15 minimum wage for city employees, which, again, you guys can't pick and choose who struggles and who doesn't. It's hard out here and I really, really am trying to figure out how to pay my rent by -- rent by the end of today. Take into account the people who can't be here because they have to work. They can't leave work early. They have that second job. They have class.

They can't be here to tell you how hard it is right now. And that's all I have to say. Thank you for your time.

[Cheering and applause]

>> Mayor --

>> Mayor Adler: Hang on. Councilmember pool?

>> Pool: If I might address one of the things that the last speaker had just mentioned about \$15 minimum wage for city of Austin employees and all contractors who contract under

[5:01:37 PM]

the aegis of the city of Austin, actually, I was one of the councilmembers back -- I think it was four years ago or longer -- who not only supported the \$15 minimum wage for the city of Austin, but advocated for it through the union, which I am a member of, afscme. And I also support raising the minimum wage the in our last budget talks earlier this year, but was uncertain how high we could bring that number. I supported 17-\$18. We were able to get it to \$20. So, sir, I just wanted to make sure that you understood the role that I played and that I care very much about to be sure that the record that I have is appropriately and accurately reflected. And I thank you for being here today. Thank you, mayor.

>> Mayor Adler: Thank you. Next speaker.

>> I don't see Mr. Peña here, so

[5:02:37 PM]

then have Zachary Whiteman.

>> Hello. Good evening, council. My name is Zach and I'm here with the sunrise movement. And many have mentioned in discussions on this proposal that people who are opposed to it don't understand the needs for increases in these rates. However, we who are here to oppose this bill, who represent many groups and organizations across all of Austin, we understand it quite well. We've looked into it. We understand that it is a tiered rate proposal that will create a greater burden on the lowest income user who is consume the least energy and it will benefit those who consume the most energy -- business -- big businesses and large corporations. We have asked the community their thoughts on this issue and

[5:03:38 PM]

we will continue to do so after this vote to ask them how they feel. And I ask you, how many testimonies have you heard today in favor of this proposal? We understand that costs go up, that rates increase, but what we reject here is this tiered rate structure. We ask firmly that if you must raise rates you do so on those who can afford it -- those with high income, high users, big businesses, not working families, students, and renters in Austin, homeowners. During the winter storm there were countless stories of apartments and neighborhoods with no heat and no power, with empty businesses across the street with their lights on. And now this proposal plans to put the burden of losses during the pandemic and the winter storm on those very people who it prioritized the least during the winter storm and did not serve when they needed it most. That's completely unjust. We also understand that Austin energy is a publicly-owned utility and it should serve the public, not private interests. It is the people of Austin that

[5:04:38 PM]

make this city a place that we all love, not private interests. And as our city council, as our mayor, we ask you to stand up and protect the city, protect the people in the city of Austin, reject this rate hike and this proposal. And we will thank you for it. Thank you.

>> Mayor Adler: Thank you.

[Cheering and applause]

>> Mayor, that concludes all the speakers that I have registered.

>> Mayor Adler: All right. Colleagues, that gets us back to where we are. The items that we have still to consider tonight, we have the rate case matter. We're able to take action on that. If we don't finish tonight, if we need to come back tomorrow, we can pick it up tomorrow, as we could any one of these things. We have councilmember tovo's real estate items 36 and 41, 43,

[5:05:46 PM]

and 44. We have the tirz. We have items 55 and 56, our compatibility and residential and commercial. And the statesman P.U.D. It's 5:05 right now. Do we want to take a dinner break, or do we want to keep trying to work on some of these things? Do people know how much they want to work tonight and whether they want to recess and come back in the morning? Yes, councilmember Fuentes.

>> Fuentes: Thanks, mayor. In light of today's testimony -- thank you to everyone that showed up today to provide comments on the Austin energy base rate increase proposal, and also because we did receive additional information from staff from Austin energy staff, just last night, I would suggest that we consider postponing the Austin energy item to next week so we have more time with the information.

>> Mayor Adler: Okay. Councilmember pool?

>> Pool: I posted to the message board a suggested path forward and urge everybody to

[5:06:47 PM]

take some time and spend with that tonight. Mayor, I would like to continue the conversation tomorrow on the Austin energy item, should we, in fact, adjourn without -- should we pause our meeting tonight and reconvene in the morning. If we don't do that, then clearly the 8th would be the next time to bring this item forward. But if we can -- do continue into tomorrow, I'd like this item to be part of the consideration in our work tomorrow.

>> Mayor Adler: Does anybody want to try to handle the vote tonight? All right. So -- we're not going to take a vote on the ae item tonight. The question is whether we pick it up tomorrow -- we're going to continue to discuss it here a little bit more, but I just want everybody to know in terms of expectations. Further discussion is about scheduling. Mayor pro tem.

>> Alter: I definitely want to

[5:07:48 PM]

continue discussing tonight. And I think it would be potentially valuable for us to have some discussions tomorrow. I just found some money in there that I want to talk with Austin energy about and with my colleagues, and share that scenario. But it's going to -- I don't know that we will resolve it tomorrow, but I think it's worth thinking through and I would benefit from thinking through it with my colleagues and ae staff for that. I'm not sure how far we are on the compatibility piece, whether we can take that up tonight or not. Maybe we can figure that out.

>> Mayor Adler: There are two issues on the residential compatibility, but I say that without knowing all of the amendments. I think -- I don't know if we posted the master plan, the master list of all the

[5:08:50 PM]

amendments. So that's up as well as the amendments. I think that there are two that might need discussion. One is whether or not we require retail on the ground floor when someone's getting the affordability bonus. Remember we gave additional height and we've treated it both ways in our code, both with a requirement for commercial and ground floor and without doing that. That's one issue. And then the second one is the issue that councilmember vela raised yesterday about combining lots. Probably would require us to go into legal -- to executive session to address that issue. I think it may be those two. I think there are other amendments that people are intending to bring as well.

Councilmember kitchen.

>> Kitchen: Yes, I have one direction that -- it's similar to -- it's just tracking what we've already done in our other

[5:09:50 PM]

affordable programs. But I haven't had a chance to surface it to people yet, so I have that. And it relates to the mfi levels. But it's just picking up another piece that we already have in V, for example. So -- and it has to do with the ability of staff to -- in areas that are at risk for displacement, the ability of staff to look at subsidizing where needed at levels below 60% mfi, if that's the kind of thing that's important to mitigate displacement.

>> Mayor Adler: Okay. Does it require --

>> Kitchen: No.

>> Mayor Adler: Be able to do it --

>> Kitchen: It's directing staff to consider it.

>> Mayor Adler: Okay.

>> Kitchen: So I also might have some language to -- for people to think about related to

[5:10:51 PM]

the compatibility levels, the circumstance where you have compatibility on the side. I'm not certain yet. I haven't had a chance to share that with anybody yet.

>> Mayor Adler: Okay.

>> Kitchen: I would say as a whole, I don't have a preference here, but I don't think that we're going to get to all of these tonight. I -- this is just too much for tonight. I don't have a preference on which we do tonight and I'm available tomorrow to carry over. I think what's been suggested about the energy rates makes sense to me, that we not expect to vote on them tonight. I'm happy to carry that over until tomorrow. But we've got the statesman P.U.D. We've got 55 and 56, which are fairly contained but will still take a little bit of time. We have the items that councilmember tovo brought. We have the tirz. And we have the statesman P.U.D. It's just not going to happen all tonight, so I just want us to -- I think we should

[5:11:52 PM]

acknowledge that and think about what makes sense for tomorrow.

>> Mayor.

>> Mayor Adler: Councilmember pool.

>> Pool: Mentioning the statesman P.U.D., I would like to see if we could finish that tonight and not carry that to tomorrow, if we have time to do that tonight. That would be the one that would be top of my list.

>> Mayor Adler: Okay. Councilmember Ellis.

>> Ellis: I just want to flag for my colleagues on 55 and 56 I'm working on some language about the short-term rental inclusion or exclusion for both of those, and I think what I may be realizing in these conversations is there might be a benefit to doing some sort of revisiting the stakeholder process. I feel like sometimes we're making those decisions on a case by case basis and maybe we need to look at them more holistically, what are the short-term rental policies and what does the legislature allow us to do and how can we make sure those are effective. I do see a benefit in having the availability of str.

[5:12:53 PM]

But for folks who need a stopgap measure for a while, they are a benefit to keeping people in their neighborhoods if something is happening where they need to be somewhere for a stopgap period of time. And then we're also working on some language for compatibility, about the unit count, trying to right-size it with the missing middle site plan topic we just kicked off today to make sure that staff knows the units and the thresholds for missing middle are consistent. So I'll be bringing those both, but we're still ironing out the exact language.

>> Mayor Adler: Okay. Hang on one second. Councilmember Kelly.

>> Kelly: I just want to take a moment and acknowledge everyone who came out today to speak to us. You gave us some really compelling information. It's wonderful that you took time to be here. I'm going to very carefully consider a lot of what you all said, so, thank you for that.

[Cheering and applause]

>> Mayor Adler: Councilmember Tovo.

[5:13:53 PM]

>> Tovo: I was going to suggest that if we know we're going to carry over to tomorrow, we might take 55 and 56 and push them to tomorrow, too, because it sounds like there are folks working on language. There are different amendments. At a minimum, it would be useful tonight to clarify where we are with some of the amendments. That gives us an overnight to review them and to get a handle on those. So if we're clear that we're meeting tomorrow to talk about Austin energy, I would suggest we push those as well.

>> Mayor Adler: Okay.

>> Tovo: And at the appropriate time, I have revisited the nonprofit leasing language and have some to suggest that might resolve that quickly.

>> Mayor Adler: Okay. All right. So I think -- my sense is we're going to be looking at rolling over until tomorrow, just so we can sustain the effort, not be able to complete tonight. Tonight we want to have further discussion about Austin energy, might be able to line out issues

[5:14:54 PM]

and other things, but we'll pick that up tomorrow. Picking up 55 and 56 tomorrow. If people could work on those amendments and get those out tonight so that they can move more quickly, we're not doing that, that would be helpful. There's a lot of work on that. A lot of that stuff has already been laid out. A lot of this is direction, which ought to make that easier. And if we have one or two questions, I think, Ann, we're going to need to go into executive session right before we take that on the question that's

been raised. I think we go back to councilmember tovo's questions and see if we're in a position to be able to handle those. The real estate items, that gives us the tirz and the P.U.D. To handle tonight. We could certainly table -- take a look at those and see if we're close enough to resolve those.

[5:15:56 PM]

Do we want to try and do the real estate items and then take a dinner break and then come back in an hour before we do the P.U.D. And the tirz, give everybody --

>> How much are we going to -- I do think that while Austin energy is here we should -- I don't know how many other people have questions or concerns.

>> Mayor Adler: That's a good point.

>> For Austin energy, and at this point all I can do is really share my thoughts and ask a few questions of Austin energy so that we can be thinking how we might incorporate this into how we're thinking, and whether we want to, and be able to get some feedback from the interveners.

>> Mayor Adler: Let's do this. When we stop here, we're going to pick back up the Austin energy conversation, let people identify issues while we have folks that have come to speak on that issue so that they can be here for that. And then councilmember tovo, we'll set a time -- period of time that we're going to do that

[5:16:56 PM]

as a council, Austin energy, 45-60 minutes. When we're done with that, let's pick up the property things tonight, right at that point before dinner break to see if there's something we can handle quickly, and if not, we'll be able to see that some take longer. And we'll take a dinner break and we'll come back then and do the tirz and the P.U.D., see if we can resolve those, and that will be our evening.

>> Tovo: We have some folks here for proclamations already. Are you suggesting we might take a dinner break after 5:30, not break at 5:30?

>> Mayor Adler: You're right. We do have proclamations at 5:30. That puts us -- I'm going to suggest that we pick up the proclamations at 6:00. I would recommend we delay that just one half hour. Let's have an Austin energy conversation until, you know, roughly ten 'til 6:00. Let's pick up the property ones that you have with an eye to

[5:17:56 PM]

breaking at 6:00 for proclamations and dinner break and then we'll come back and handle tirz and P.U.D. If we're able to, okay? All right. That's how we're going to proceed. Let's now open it up for council to speak to Austin energy while we have staff here. You can ask questions, or give directions, or thoughts. This is in anticipation of us picking up this topic tomorrow. We also have the ability to take action on this next week as well if we need to. Mayor pro tem.

>> Alter: Thank you. So, looking over the scenarios that were shared that I had asked to run, that we got back yesterday, that had a slightly narrower tier two, one thing that I noticed was that when you look at the chart that shows the percentage change for the proposed scenario, when you

[5:18:56 PM]

break at 1500, people who are using more energy are getting a decrease in their rates inside the city. So, what I asked Austin energy was, what would happen if we made it so they would have -- like we set the rate structure in a way so that they would not receive a reduction, but they were set even. They've been

subsidizing the lower tiers. And so we asked that. And I don't know if Austin energy would like to speak to that with one of the versions that we have, or if you want me just to say what I learned, or what would be better. Okay. So when I asked them that, that identifies \$8.5 million just doing that on the inside. Now, the catch is that this money can't be spent on the

[5:19:56 PM]

lower tiers or on the customer charge, or the whole edifice of the rate of the problems that we're trying to solve over time collapses and you can't just move one puzzle piece. So, so far in my discussions with Austin energy, we've identified that we could use some of that money for the cap, and to be able to make sure that we can expand those people who are eligible for the cap. We also could provide relief to -- I'm going to get this wrong -- our s2 and s3 class customers, which tend to be businesses like restaurants or music venues. A lot of businesses that were really impacted in the pandemic who have been subsidizing the rates of everybody else for a really long time and are currently bearing the brunt of addressing the outside

[5:20:57 PM]

customers. And so this would provide relief. It doesn't provide relief directly to some of the customers that we had perhaps wanted, but it does offer a shift in ability so that we are encouraging conservation, so that if you use more energy you're not getting a break on your rate, which I think is important. It preserves moving to cost of service. In fact, it gets us even further to cost of service, because the s2 and the s3 classes would be getting closer to cost of service, because they were not adjusted. And we'd have a good chunk of money to expand the cap. So, I want to throw that out there. It needs to be vetted more. It needs to be thought through more. We need to have everyone see the run of data for the scenario that councilmember pool put out there to see what that looks

[5:21:59 PM]

like. This would have the inside doing that, but not the outside. And it's just another scenario. And to think about. And there may be other uses that we can come up with, but it can't be the things that we were most wanting to use it for originally.

>> Mayor Adler: So I don't know if at this point it's right for staff or you want to hear all the comments first. Great minds. It was a half week I went to Austin energy with the same kind of proposal. Maybe not looking at taking off the entire discount, but some portion of the discount as an optionality on that. But that does perhaps give us a flexibility to be able to deal separately with those classes that you're talking about in a way that -- in repeated rate cases, we've had to try to find a solution to keep us all out of court, might be the way.

[5:22:59 PM]

I think that might open up the possibility for us to continue the current practice with two rate structures, which might make sense given the other elements of our -- all the considerations that people are looking at in this process. So I, too, would be interested either tonight or tomorrow in hearing from Austin energy if that makes sense for us to follow that kind of thing as well and hopefully there's been some discussions on that that's been explored. Councilmember Fuentes and then councilmember pool.

>> Fuentes: Thank you. And thank you, mayor pro tem. I am continually impressed by your ability to be able to identify cost savings. So, thank you for that and your leadership on that issue. The question I had was for you, mayor pro tem, when you suggested potentially expanding the cap program with the

[5:24:00 PM]

\$8.4 million that you identified. Are you thinking about it from a lense of expanding the threshold of those who can participate within the cap program, like the income -- right now it's 200% federal poverty line. Are you thinking about expanding that piece of it, or can you elaborate more as to what you're thinking on that expansion?

>> Alter: I was thinking that we would follow the resolution that we just passed along those lines, but hadn't -- I think there may be some constraints over which part of the cap, if it's the staffing or the expansion that come with using this money that I don't have the best details on. I don't know that I have strong feelings on which of those directions we do. I think we have certainly a challenge that people who are eligible are not taking up the opportunity. And there certainly would be a world of people who would

[5:25:01 PM]

benefit from it. But that is a little bit beyond the scope of what I'm -- at this point, I'm just saying it could be spent on the cap. We would have to figure the outlines of that, and we'd have to understand which part of the cap gets paid for out of the base rate and which gets paid for elsewhere.

>> Fuentes: Because right now, the resolution we passed, we know that a third of individual individualwho are eligible are participating. It's going to take a while to meet the goals outlined in the resolution. I'm concerned that that wouldn't provide the immediate impact of relief that our working austinites need. And it wouldn't necessarily ease the burden. So I would be really curious to hear from Austin energy, potentially other strategies that they might have in mind with this newly identified revenue as to what we can do to help ease the rate shock for our

[5:26:03 PM]

customers so that it's not all at once and to get closer to what was proposed by the interveners in their proposal that they brought forward.

>> Mayor Adler: Councilmember pool.

>> Pool: So if you all have time to look at the message board and look at the proposal that I've put out here, this is something that I talked about earlier this week at work session. And it was a scenario that I've been working on with my team and Austin energy since last month. You will see that the increase in the fixed charge is gradual over three years. It goes up from \$4 the first year to 5 and then to 6. You will see that the cost of the actual power, the energy, the kilowatt goes down as that dollar goes up in each of those

[5:27:05 PM]

years, because we're still balancing to get to the revenue that is required. And so this is, indeed, the easing that people have been asking us for. I want to make sure that people understand we're not adding \$14 on top of \$10. This is \$4 added to \$10. So that's a significant decrease in the initial fixed charge amount that Austin energy had proposed. It does get us to the point where we need to get. And I'm interested to talk more with the mayor pro tem and the mayor about the initiative that they're

talking about so that I can wrap my head around that and see if we can weave that into these numbers as well. We have customers within the city, and we have customers outside the city. And because customers who are inside the city have a

[5:28:07 PM]

benefit -- civic benefit of the -- well, just the civic benefits that we offer to residents in the city that the people outside of the city limits don't necessarily participate in. So I recognize that there is a differential between ratepayers in the city and outside the city. I also wanted just to make sure that people who were coming to comment on this understand that those ratepayers are customers who participate in what we're calling cap, which is a customer assistance program. They pay \$0 no matter what we set the fixed fee at. Currently it's \$10. If it had gone to 25, which I don't think it will, but if it had, those participants in the customer assistance program still would pay nothing. So that had no impact on their

[5:29:08 PM]

daily and their monthly budgets. Still, we feel like we need to address those issues for everybody, not just the folks who qualify for C.A.P. That's why we have been working really hard, everybody on this dais, our staff and the folks in the community with the impartial hearing examiner and others to try to come up with a reasonable resolution to a fairly complex set of factors. I feel really good tonight about where things have progressed since we first started on our series of work sessions, public hearings, and conversations one-on-one with the community, with the advocates, with the folks who we hired to manage the similar to a PUC hearing. Reading all of the documentation and looking at all the analyses,

[5:30:11 PM]

I feel really good about all of the progress that has been made to date. I remain really hopeful that we will be able to find our solution. I think there is a sweet spot in here that we can all rally around. And mayor, I'm hoping that we'll be able to talk about that tomorrow when we bring this together. But I would like to talk with you and the mayor pro tem about the proposals that you both have come up with, if we could do that maybe later on this evening, or tomorrow before we reconvene. And thank you to everybody who's been on this really difficult walk with us. It hasn't been easy at all. And I think all of us know a heck of a lot more about how the rates are calculated, and the impacts that we have on our environment through our consumption of energy here in Austin, Texas. There's a whole lot of learning

[5:31:12 PM]

that's been happening, a lot of conversations among people who maybe only met because they shared a concern about this issue. And I thank you, every last one of you, for all of the really strong and smart thought behind your comments and the delivery of them to us here. I just am very grateful. Thank you.

>> Mayor Adler: Councilmember Renteria.

>> Renteria: Does the C.A.P. Transfer to the city? The C.A.P. Also goes for three years?

>> Pool: Are you talking about the graduated?

>> Renteria: No, the general fund transfer.

>> Pool: The general fund transfer is capped at what it is currently, which is \$115 million and that would stay constant for three years for sure, and then we would assess it.

[5:32:13 PM]

I see us assessing our rates annually, not every five years. We're going to have to do this during budget and pay close attention. And if we find that the cap needs to remain, then we will keep the cap on. If we find that we're able to ease it a little bit, remembering that the monies that transfer through that general fund transfer support really important programs and projects that the city of Austin puts into the budget to the benefit of our constituencies, not just the ratepayers but everybody in the city benefits from that general fund transfer. So it's really important. It's a really important benefit to us all. I don't want to lose it, but yes, the \$115 million would be capped for the next three years.

>> Mayor Adler: Okay. Councilmember tovo.

>> Tovo: I want to be clear that we've had some conversations at our work session. I'm not sure that everyone agrees that it should be capped. I think the interveners who were

[5:33:14 PM]

suggesting an adjustment there were saying that 115 made better sense in terms of a revenue requirement because that's what the historical average has showed. It was when we talked about that at our work session, I think at least one of us, maybe a couple of us said that was not -- that made better sense for a revenue requirement, but should not actually be an absolute cap. I noticed in the kind of rebuttal that Austin energy provided yesterday, they have language in there suggesting that it be a cap, but I do think that ties the hands of the council. And that's an important way that the city of Austin benefits from its municipally owned utility in the same way that private utilities transfer a benefit to private investors in that company. So it's totally appropriate. And I'm really concerned if we're talking about a cap. So I'd welcome some thoughts from others on the dais on that

[5:34:14 PM]

particular point. And I also had a question. I don't know if anybody who is a signator to the joint proposal is here still.

>> Mayor Adler: Trey Salinas?

>> Hi.

>> Tovo: So, you and I have had an exchange because you've made some points during your testimony here that I asked you to clarify in an email, which you did. I appreciate that. Can you address the issue of revenue distribution that you and I have been conversing about, and relate it to the issue that mayor pro tem alter was talking about with regard to the piece of funding that she's identified?

>> Yeah. I think there's kind of two issues there. The first one about the revenue allocation between the classes, I was just pointing out that the parties, the majority of most of the parties that participated

[5:35:15 PM]

have come to an agreement on revenue allocation between the classes. And, you know, we've shared that with council. And I would just encourage you that whatever overall revenue increase y'all decide on that you would please honor that agreement between the parties, since we are representing everybody pretty much that would be affected by those increases. So, the scenarios that have been run for councilmember pool and yourself and mayor pro tem have all used different revenue allocation that kind of goes back to what Austin energy had been advocating for. And it puts more burden on the residential class, to the benefit of the larger commercial and industrial ratepayers, which of course those customers I think would appreciate, but I am grateful that they have been willing to compromise with those

[5:36:16 PM]

of us who are advocating for the residential class. And we have come to an agreement, which is frankly not something that always happens.

>> Right.

>> Public citizens, Sierra club, and large industrials haven't always been able to come to you with something that we agree on. So that's issue number 1. The other issue about what to do within the residential rate structure I think is also really important. I know that Austin energy -- they've been telling us, they've been telling you that they do not want to use the increased revenue at the higher consumption levels, the higher tiers in order to reduce the fixed customer charge or the lower tier. That is a policy decision. The math works. So, it's just kind of whether or not you buy into the idea that there is this fundamental and serious problem that must be

[5:37:17 PM]

fixed by increasing the customer charge more or increasing that lower tier more. I think, again, all of the vast majority of the consumer groups have agreed that actually mitigating that is something that is both possible and beneficial. Does that help clarify?

>> Tovo: It does, thank you. And I may need some help from you clarifying my request to see if we can rerun those numbers with the revenue allocation in the way that the collective group has suggested, so, thank you.

>> Absolutely.

>> Tovo: I see Mr. Salinas.

>> I was hoping somebody might ask me a question.

>> Tovo: Well, you're --

>> Clarification, it is what I was going to point out when I was walking up here. We would respectfully request that you take into serious consideration our letter that we did send. We have a discussion about it, an interaction, because as a reminder, we're here to talk

[5:38:19 PM]

about doing this like the PUC. If we're going to do it like the PUC, you're going to have interaction with the interveners. We've had no interaction. We don't get to show up at work sessions and answer your questions. You don't even ask us those requests. I'm asking respectfully, whether it is tomorrow or next week, that we have an interaction with the interveners. Thanks.

>> Mayor Adler: And I think the question, staff, manager, to address is we have now all been made aware that a lot of the interveners have agreed on what a revenue allocation would be as between different parties without regard to how much the total revenue is. So regardless of the total revenue, they're proposing a certain revenue allocation. And the question is if we have everybody that's in agreement with it, why wouldn't we agree with it, is there a reason why we wouldn't. We need to understand that if that's the case. To your point, councilmember

[5:39:21 PM]

tovo, on the other question, I believe really strongly, as I think you do, that the -- I'm perfectly willing to participate and vote under these special circumstances given the rate shock that we limit the general fund transfer, but I think it should be really specifically that it's for this period of time and for this

revenue count, because I think it's real important as the city grows, and as that operation grows, as the dividend to shareholders would grow, that this does, too. And we have three years to figure out how to make that work within the system, but, you know, this is, you know, money that's coming out of the general fund. And it is coming out of the general fund. And we need to institutionally put that back. I don't mean replace the money, but get back to the formula so that we're not changing the formula.

>> Pool: Mayor, I'd like to have Austin energy respond to

[5:40:22 PM]

the -- to councilmember tovo's question, the one that kayuba and trey answered. You might need to repeat it -- I don't know if it's Mr. Kato or the general manager. Thank you.

>> Mayor Adler: Hang on one second.

>> Tovo: Mayor, with regard to the general fund transfer, as I read the intervenor -- there are two decisions before us. I think one is about whether it's appropriate to lower the revenue requirement to factor in a general fund transfer at 115. That doesn't necessarily need to also be accompanied by a cap at that level. I may be wrong. Maybe someone remembers correctly, but I thought when there was a level set back in 2013 that it was actually higher than the historical average. So it was a bit of a jump from what that transfer had been, if that makes sense.

[5:41:23 PM]

I thought I remembered and I may be wrong, but the equivalent would have been to set it now at a cap at 120 to say it's not going to exceed that for a couple years. We're setting it back at the historical average, which is lower. Anyway, I just -- I had not been advocating for a cap, and I'm not sure that I want to vote for one. But I'm not sure what -- I was asking a question to several of the intervenors about their point, so I'm not sure how to recast that for you, because they've answered that.

>> Mayor Adler: There are two questions out, whether it's appropriate in this forum and this way to be addressing them. One concerns the revenue -- the shareholder dividend that comes to the city. There's a formula that we use to derive that. And then based on that formula, that gives us a number. It's an objective formula. And that would indicate -- my understanding is this year,

[5:42:24 PM]

\$120 million. And the question is do we not take the full 120, which is what the formula would dictate. Do we take 115, which is not what the formula would dictate, but is in line with what we have gotten in the past. So understanding that, I'm fine with us taking less than what the formula would indicate, but I don't want that formula to go away. That's the formula. But if it means that we get \$5 million less to the general fund in the last three years, that's a question we asked the manager, whether he was comfortable with that and apparently he is, or we wouldn't be seeing this happen that way. Then the second question is, a lot of the intervenors have said regardless of what the revenue is, we have agreed on an apportionment between classes and is that something that works.

>> So let's take the first

[5:43:27 PM]

question. The general fund question first, Jackie, Austin energy general manager. So it's my understanding, although I was not here, that back when the 2012 rate case was finalized there was a formula established to determine the general fund calculation. At that time, it was determined to set

that at \$105 million and to let that calculation rise. And as a result of that, the general fund transfer stayed at \$105 million for a time period, several years, until such times as revenues increased and it rolled through the formula and then the general fund transfer has been going up progressively every year. And so when we established the cost of service model and we look at we're going to be increasing rates, which increases revenues, there will be a corresponding increase in the general fund transfer. And so we set the general fund transfer to that in the cost of

[5:44:28 PM]

service study. And so to reflect what the new revenue was going to bring in, and then the formula would be applied. The recommendation is to set it at \$115 million in the test year as opposed to the 120. What we've talked with the city manager about and how we could manage that is when we establish that calculation, what would it be to come up with the \$115 million and then keep applying that. So it wouldn't stay at \$115 million, but rather it would be calculated. And as the revenues increase, the general fund transfer would increase, but it would be from that starting point of \$115 million, not the 120. Does that answer your question?

>> Mayor Adler: You're saying come up with a new formula.

>> Well, the formula right now is total revenues, subtract off power supply revenues, subtract off for district energy and

[5:45:29 PM]

cooling revenue, and then take those numbers for actuals for two years and then what's forecast in the budget. Take the average of that, which gives you a three-year average of revenues and apply a percentage up to 12%.

>> Mayor Adler: And that calculates to 120 roughly for this year.

>> When the new rates are applied and as that goes through, so that we don't end up in a situation where we're not collecting enough revenue to cover what we would see as an expense to us.

>> Mayor Adler: So even though that calculation would generate 120, we would be arbitrarily saying we're going to only do 115. And that's what it would be for this revenue period. And then at the end of this period, what you're saying is we would not go back to the formula that we had used to calculate 120, but we would make adjustments to the formula so as

[5:46:31 PM]

to figure out what the formula --

>> The formula would be the same. It's the percentage that you apply based on the tariff is up to 12%. So the percentage could be anywhere in that window.

>> Mayor Adler: I understand that. At 12% it indicates 120. You're not suggesting that we change that 12% number up to 12% so that in three years it could still be that formula and up to 12%. Or are you suggesting --

>> I'm suggest that we would adjust the percentage we apply to the calculation to represent the 115.

>> Mayor Adler: That's all I was saying.

>> We would continue to do the calculation, but not at the maximum allowed.

>> Mayor Adler: I understand that. That's what I have a problem with. I think we should keep the formula the same. We've had the formula up to 12%. You can still make the decisions you want to make if we can get back to the ability to be able to do the 12% that would have

[5:47:34 PM]

been honored in 20 this year. We should do that. That money should come into the general fund. But I wouldn't change the up to 12% number. I would still keep it the same and you'll use the best discretion. And I think Austin energy ought to be trying to get us to the place where we maintain the same formula with the same percentages that we have in place now that we're saying we're going to deviate from. That would be my suggestion. Councilmember tovo.

>> Tovo: I think if there was going to be a cap, one of the things we should think about between thousand and when we -- now and when we vote is whether the value to individual ratepayers is going to be equivalent to the minimum \$15 million we're going to forego in the general fund. I think that's a really significant consideration, because those are dollars that help us fund lots of critical basic needs programs throughout our community. And so it is -- and again, it's

[5:48:35 PM]

a very appropriate one because those are dividends that are being paid to the shareholders of this utility. But those are -- I think that's just one of those things that we need to balance the impact of, is reducing the revenue requirement by \$5 million for this period significant to the impact that we get from those dollars when we invest them in basic programs through our general fund. And I'm not sure about that. But I agree with you that if we do cap it, it shouldn't be a new day on the formula, it should refer back to the formula.

>> Mayor Adler: And the percentage, in case you were distinguishing between those two. Mayor pro tem and then we'll come back. And we still have the other question for Jackie to answer for us.

>> Alter: Did she finish?

>> Mayor Adler: I think she finished the general fund question. She hasn't responded yet to the allocation question.

>> Alter: I have a different question.

>> Mayor Adler: Then let's get the answer to the allocation question first.

>> Okay.

>> Mayor Adler: Thank you.

[5:49:35 PM]

>> So what I understood was in our discussions with the interveners, that there has been a presentation of revenue cost allocation, so percentages of the revenue. We have been working on a proposal and it's actually reflected in councilmember pool's message that she posted in the council message board. And so in order to make the numbers work in that scenario, we had to tweak those just a little bit, but they are very close. And in speaking with some of the interveners, they are in support of the allocations that we were able to come up with. So -- and those allocations work with a revenue requirement of \$31.3 million. If you change the revenue requirement, then a percentage of a smaller number is a smaller number. And as those parts move within the model, that could cause some

[5:50:39 PM]

discrepancies.

>> Mayor Adler: So what you're saying is we can't adopt revenue allocations independent of the total revenue determination.

>> Yes.

>> Mayor Adler: And the reason why? They're suggesting otherwise. Why is --
>> It depends on what proposal you're looking at and we run the model. The model is -- has a lot of inputs. And so if you start changing -- you can't just change one of the inputs without having impacts on the results. So if you're trying to get to a result, it's not as specific as taking just those revenue allocators. There's a problem with the interveners revenue allocation percentages because one of the things that they forgot to take

[5:51:40 PM]

into account is that we have discounts that are applied to our schools, to military, and to the state. And that revenue has to be collected. And in their calculations, they did not include the revenue that's needed from all the customers to provide those discounts for that select group.

>> Mayor Adler: If you were to provide that -- fix that --

>> It changes those allocators slightly.

>> Mayor Adler: But you do that in proportion to the revenue allocation numbers, you still ought to end up in the same place, no? Again, I'm just trying to ask the question why would it change? If we wanted to pick the revenue allocation percentages, why would it change? Why wouldn't that apply regardless of revenue? You're still generating the same amount of revenue.

[5:52:42 PM]

>> I understand what you're asking. Because you have a different starting point, basically. You have -- the interveners' revenue allocation numbers didn't start with allocating the discounts across all customer classes, as Austin energy is proposing. And I should add, it was not a contested issue in the case. I think that the interveners would say their revenue allocation is just a black box. They just came up with some percentages amongst themselves. I would say this. I think that our numbers -- Austin energy's numbers are extremely close to the numbers that were provided by the interveners with respect to revenue allocation. I think that if we knew what the revenue requirement was going to be, I would say I'm optimistic that we could bridge that gap.

>> Mayor Adler: Regardless of what the total revenue was?

[5:53:43 PM]

>> No, not regardless. At 31.3, yeah. I think we could get there. At a certain point, if the revenue requirement was significantly below that number, that's going to skew percentages and may create more problems in terms of agreement on revenue allocation.

>> Mayor Adler: So I have just one try at this. If the interveners were posing 12%, it would be 18%, so it adds up to a hundred. Why can't you multiply those percentages times \$31 million of revenue and multiply the same percentages times \$22 million of revenue?

>> Because that would start to create issues with respect to outside city customers.

>> Mayor Adler: Okay.

>> It would create a problem. But otherwise, I think that we could get there with respect to revenue allocation.

>> Mayor Adler: Okay. Mayor pro tem, and then

[5:54:44 PM]

councilmember pool.

>> Alter: So, I see we have a lot of people and a lot of small guests as well, so I'm not going to wait for the answer right now. But if tomorrow, you know, technically speaking with the change that I was proposing where you zero it out, you can reduce other pieces, it just messes up a lot of other things of what we're trying to accomplish. So, if you can spend some time tomorrow when we have the discussion walking us through the consequences so that we can understand them, because if we said that \$1 of the customer charge was \$5.7 million, we could reduce it by \$1. But then all of the calculations change for the percentages and then the percentage they're getting decreases. There's a lot of pieces that change. But to the extent that it is possible to find an illustration about why that's a bad idea or maybe show us it's a good idea,

[5:55:45 PM]

but I'm guessing it's a bad idea, if you can help us understand a little bit more about that puzzle so we know some of the parameters with which we could think about allocating that amount of money.

>> Certainly.

>> Alter: Thank you.

>> Mayor Adler: Okay. Any other -- councilmember pool.

>> Pool: So, just two questions. One, I wanted to ask Mr. Salinas to send us the letter that you're talking about, because I don't think I've gotten it and I may not be the only one. Thank you. Or resend it, yeah.

>> Mayor Adler: It you would resend it, that would be good.

>> Pool: To everybody. And then I just wanted to confirm, could you, general manager, repeat what you were saying about where the status of the negotiations -- were you talking about that?

>> I have not talked about that. And I would defer to our counsel.

>> Pool: Is this something that you're prepared to kind of give us a status report on?

[5:56:47 PM]

I don't want to have you talk about it if you're not ready.

>> No, I'm happy to share with you where things stand. We don't want to divulge any confidential settlement discussions, but I can share with you the parties met this morning and had an exchange. We've had additional conversations with specific parties throughout the afternoon. We are not in a position to announce a settlement. We are still at an impasse in particular on revenue requirement, revenue allocation, and residential rate design. There are a most of other -- host of other issues that we've either reached an agreement or are very close, but we're not in a position to announce even a settlement on part of the issues at this time.

>> Pool: That's the piece that I had asked you about on Tuesday. And you indicated you weren't ready to talk about any piece of it, so that's fine.

[5:57:48 PM]

>> I will tell you there are some issues. In fact, a number of issues where parties are in agreement, we've worked out language, but for one reason or another, parties are not comfortable going forward with a partial settlement at this time. And so that's where things stand.

>> Pool: Okay, thank you. And I see Mr. Salinas indicating that he has a short word.

>> This is my personal opinion on behalf of sea care only, I happen to be one of the ones in the room that thinks we're close.

>> Good to know.

>> Pool: How close, Mr. Salinas?

>> I can't comment on that. It's confidential, but I feel good about where we're at. If we can be allowed to continue the discussion, I feel good about it.

>> Pool: I think that would be great. If it was whiskey in a glass, would it be one finger?

>> Thank you, mayor. Just real briefly, I'm not sure

[5:58:51 PM]

that I quite share the optimism, but parties have certainly been trying to do what we can to reach an agreement. And I just wanted y'all to hear that public citizens, Sierra club and united neighbors, we are all for settling the solar -- the value of solar issues and I think that we have that language worked out. It's not finalized or it's not -- I guess, official, but the language is there. So I just want y'all to know that.

>> Mayor Adler: Thank you. One additional thing, possibly for tomorrow, and if you can walk in and begin this conversation by saying that it's settled and it's over that would be -- that would be the best thing to have happen. If we're not at that place, there were four areas with respect to revenue that I think that councilmember tovo raised at the work session. One of them was the general fund transfer. Which I think we all understand the parameters and the issues associated with that. And there were three others. You have sent us a memo on those

[5:59:54 PM]

three. The group of intervenors have sent us a memo on those three. I think that one of the things that we're going to have to do -- if this case is not settled, is to get a better feel for -- from a council standpoint those three issues that have been Teed up in front of us. Councilmember tovo.

>> Tovo: I don't want to require anyone in the public to attend tomorrow but I would like to take up Mr. Salinas on his suggestion to have a bit of a dialogue. We have rebuttal from ae about those very issues but I'd like to hear back from the intervenors if they are here on that perspective, vis-a-vis the memo from ae, if others want to hear from them. Again, I don't want to suggest that folks come and have it not be of interest to others on the dais.

>> Mayor Adler: Councilmember kitchen.

>> Kitchen: Stop me if you were going to get to this, but if it's possible I would like to

[6:00:54 PM]

know what time we're going to start tomorrow. And if it's possible -- just an estimate of when we'll end tonight.

>> Mayor Adler: Okay, so I would suggest that we stop now and we go to proclamations. We're done with Austin energy tonight. The issues that we said that we're going to pick up tomorrow were 55 and 56. Picking those up tomorrow. I think that we do proclamations and -- unless councilmember tovo, you think that we could do some of the real estate items really quickly and people are saying no, we're going to do proclamations next. When we are done with proclamations you give us a feel whether or not those things are quick. I don't know if we're ready to do -- I guess that we'll take a break for dinner, and then we will come back and pick up the tirz and the pud. And we are not going to be able to finish everything tonight. I would suggest that we start tomorrow, is 9:00 too early to

[6:01:56 PM]

start on a work session day? I'm sorry?

>> [Indiscernible].

>> Mayor Adler: Does 9:30 work.
>> Can we stay consistent and do 10:00, thank you.
>> Mayor Adler: We'll pick it back up again.
>> We're going to do the real estate stuff after we come back from dinner?
>> Mayor Adler: sure. So we'll do proclamations now. It is 6:00, and do we want to come back at -- so dinner break at 7:15? 7:15 may be the way to do that. Yes, Ann?
>> Kitchen: And we'll try to finish by what time tonight? By 10:00?
>> Ish.
>> Mayor Adler: Yeah, my belief is that either of those things will be ready and amenable to a big resolve and we'll know that well before 10:00 or not and we'll know that well before 10:00 too would be my guess.

[6:02:56 PM]

Okay? All right, let's go to -- we're going to have a recess now and the city council meeting at 6:04 P.M. And we'll come back at 7:15. We'll handle the real estate matters first and see if we can take care of them, and we'll pick up the -- the tirz and the pud and then we'll stop.

[6:10:01 PM]

>> Great turnout.
>> Fuentes: Okay, all right, good afternoon, everyone. Good evening. Good afternoon, I'm councilmember Vanessa Fuentes and I represent southeast Austin on Austin city council, that is district 2. For over two months now, people of Iran have courageously protested and stood up for their rights, democracy and freedom. These widespread women-led

[6:11:01 PM]

protests against the islamic republic have been met with brutal retaliation, including torture, imprisonment, sexual assault, and executions. But despite this oppression, various cross social and Iranian communities continue to preserve and to stand united. It's a sight that is both inspiring and saddening. We're here today because the city of Austin upholds the values of freedom and democracy and stands in solidarity with the Iranian community, both locally and abroad. Their acts of courage, bravery and unity will have major consequential effects on the state of democracy across the globe. We cannot and should not look away. I, and I'm sure that many of us here, are humbled to demonstrate our support and solidarity. I want to give a special thank you to Dr. Madanine for

[6:12:02 PM]

approaching me and asking me to present today's proclamation. I will now present this proclamation. [Applause] Be it known, whereas,iranians have courageously risen up against the islamic republic regime in support of democracy, liberty and human rights and, whereas, for decades the Iranian regime has denied its people fundamental freedoms and suexpressed the aspirations of successive generations. And, whereas, after weeks of demonstrations and protests in a country-wide strike, the Iranian people continue to preserve, despite harsh penalties. And the city of Austin supports the Iranian people who inspire the world with their bravery and their fight for freedom against the regime's bureaucratic tyranny. Now, therefore, I, Vanessa Fuentes, Austin city

[6:13:03 PM]

councilwoman, along with my colleagues on councilor and on behalf of Steve Adler, the mayor of the city of Austin, do proclaim, December 31, 2022, Iranian solidarity day.

[Applause] Anyone who wants to come in for a photo, please join in.

>> Come in if you want to join in for a photo.

[6:15:59 PM]

[Applause]

[6:17:09 PM]

[Applause]

>> Thank you, my pleasure. On the contrary, thank you very much, it was a real pleasure.

>> Thank you, thank you so much.

[6:18:43 PM]

>> All right, can we -- I think that the council is on a time limit. So, thank you. Hello, I am Dr. Aminejad, the founder and executive director of vocal collective and a former professor of feminist philosophy and critical race theory at southwestern university. The Iranian community of Austin would like to thank councilmembers Fuentes and Ellis, for their tireless work in supporting this initiative. Thank you. Thank you for providing a safe space for Iranian immigrants and especially those of mixed heritage to feel proud of being both Iranian and American. This is what creating belonging looks like. This revolution is called "Women life freedom." Why is that? Well, woman, because this is a

[6:19:46 PM]

woman-centered revolution. I have to keep checking myself every time that I say that, is that really true? Can I really use the word feminism without getting dirty looks in public places? Yes, it's finally true. The global and several millennial long discourse about patriarchy is not getting silenced in this particular revolutionary moment. No one dares to say this is not the time to talk about women. Let's discuss it after we've won. There are more important things. We'll get to your needs after. Why is that the case? Because the Iranian women's 43-year-long resistance against domination is what finally made this revolution possible. This revolution was sparked by feminism and it is driven by women losing their lives in the streets and in the dens of rape and torture, otherwise known as the Islamic Republic political

[6:20:47 PM]

prisons. Let's not be afraid to call this what it is -- it is a feminist revolution. Why life? This is not an armed revolution about killing, not for the people. Arming the people has no place in this fight. The Iranian women and men are intentionally choosing to wage a daily defensive war with their bodies, rocks, pipes, switchblades and occasional molotov cocktails much against a ruthless para-military that has a cornucopia of military-grade weapons. And they choose to do this while they dance, while they sing, while they make music, while they live life to the fullest. This revolution is about reclaiming life in Iran. Why freedom? This is an intergenerational fight for freedom. Parents walk into the streets

[6:21:48 PM]

hand-in-hand with their children no longer afraid. Mothers dance with red handkerchiefs on their children's graves, thankful for their daughter or son's bravery, knowing that freedom is near. I have often wondered about being a warrior looks like. Warriors like like mashi and Nicole. And I no longer wonder about this.

[Applause]

>> Hello, I'm Dr. Costapour, the founder and director of the study for peace and conflict studies at Austin community college. In my 43 years in the U.S., I have seen Iran portrayed as the land of angry, freedom-hating backward people. But the revolutionaries of today in Iran are forcing the world to see who my people really are.

[6:22:48 PM]

They are brave. They demand human rights when they know that they could be paying with it for their own blood. They quote both Dr. Martin martinluther king Jr. And they have become a model for the rest of the world. They've moved the U.N. To action and used the global stage of the world cup to amplify voices of Iranians in Iran. This moment is crucial in rallying international support for Iran and showing solidarity with Iranian protesters. One of the important tenets of peace building that everyone everywhere can do is to stand with victims. If someone is suffering, be prepared to listen to them and to share in their suffering. And respond if they ask for help. Then do the work to see how you can help and insist that our government put human rights first in our foreign policy. And as my culture has a strong

[6:23:51 PM]

literary tradition I would like to end with portions of a poem by an Iranian poet in exile who also describes herself as a war correspondent in reverse. And we turned away, we couldn't bear to watch the tortures, the floggings, the cables cutting through the flesh. The nerves bursting into clips of recorded confessions. We couldn't bear to watch the broken bones and resolves, we couldn't bear to watch the hangings and the threats of rape. We couldn't bear to watch the rape. We closed our eyes. There was no evidence, communication had stopped, and the beasts went unleashed. We could not verify, so we did not report. But I believe the worst and trust the rumors. I may be the voice, but the story is not mine. This is the story of my people.

[6:24:52 PM]

We are people sanctioned by the world and savaged by our kin. We are people like you and yours, lovers, children, parents. Blood costs less than fuel, they chanted. A mother of six watching protests on her balcony was shot in the heart and died on the way to hospital across the street. The world was absent. The world turned away. Now that I can't see, you said, I can pretend that I can't see. What I can't see, you said, doesn't exist. Show me the evidence, you said. And I, sharine, thank my city for looking and seeing and please keep looking and insist that our government put humans first and use diplomacy and not weapons. Thank you.

[Applause]

[6:25:53 PM]

>> Good evening, everyone, esteemed mayor and councilmembers. My name is Dr. Nina amasi, the Dean of health sciences at Austin community college. I left my homeland of Iran 25 years ago and came to the land of opportunities in pursuit of a better life. Over the years, I have realized that the opportunities afforded to me in Austin and my hard work, the sky is the limit. It is not lost on me that had I stayed in Iran, my life journey would have had a very different trajectory. For women living in Iran are oppressed on a daily basis by dictatorship, the sky is not the limit. Mahsa Amini was stopped and harassed by the morality police for the improper hijab. This is the lived experience of almost every girl and woman in Iran, including myself.

[6:26:55 PM]

But for mashi it did not end with harassment. Mahsi was detained and brutally killed in the regime's custody. This is beyond violation of basic human rights. This is a blatant violation of basic human life. I stand before you today to shine a light on the power of countless brave and brilliant women in Iran and to raise awareness about the ongoing injustices they face. They are fighting an unfair fight, and if we care about women, if we care about life and freedom, we must stand with them and be their voice. Thank you.

[Applause]

>> Hello, everyone, my name is suspect sanaz amifiran and I'm an imgrant. I am reading in my persian language, my motherland language, and I'm translating it for you.

[6:27:55 PM]

[Speaking in persian language] I am an immigrant too. I come from a country where the main challenges are staying alive. Not living. Definitely not living well. I come from a place where the rules are written by men for men, and women are made to obey.

[6:28:57 PM]

When laughing or showing happiness is considered -- and we have to obey our fathers and our brothers and live in fear -- and fear of their anger in case they sense an immodesty. Where I lived, being loved for women is a sin, but child marriage and polygamy are the norm.

[Speaking persian language] I want to honor just a few of

[6:29:58 PM]

the countless women who were martyred or are being held in captivity today. Mahsa Amini, who is part of the movement. And they imprisoned the person who reported what happened to mahsa Amini and without her we would not have the revolution. And armita, and hundreds of others who are our representation enduring rape and torture in prison, or have given their lives.

[Speaking persian language] I especially want to speak about one person who lost to assault, a bullet, over 500 others who

[6:30:58 PM]

have experienced the same thing just in Tehran. She said that when she was shot, she could see the man hitting her was smiling. She was -- why was he smiling as he hurt me, she asks.

[Speaking persian language] I am proud to announce that at this morning the "Financial times" has announced Iranian women in its list of the most influential women of the year. In the name of women, life and for freedom.

[Applause]

>> Hello, everyone, my name is

[6:31:58 PM]

Mary A.M. Nazam and I'm an Iranian-American and I have a masters in electrical engineering and work at a major tech company. We the Iranian people have been fighting for our freedom for decades, however, the current movement is different some very important respects. This is a movement led by women. They are on the forefront of this revolution, putting their lives on the line. Their power of not just demanding their rights and the respect they deserve, but also bravely taking their fate into their own hands is what no institution can resist. And any dictatorship will crumble in the face of it. No matter how strong its evil forces. The second important aspect of this revolution is that men are out on the streets risking their lives, fighting for the rights of women. This is a huge progress in the country that has been built upon patriarchy for hundreds, if not thousands of years. The third important aspect is

[6:32:59 PM]

the fact that Iranians of different backgrounds, fates and ideologies, have come together for a common goal. For a woman who chooses not to wear the hijab stands shoulder-to-shoulder with a woman who has chosen to wear it. We have come to a point that we understand and we respect the choices of others, no matter how different they are from ours. We understand that we are not fighting the hijab, we are fighting the compulsory hijab and we are fighting for the freedom of choice and the freedom of expression and the freedom that any human deserves on this planet. The kind of freedom that many of us Iranians who have been born after the 1979 revolution have never experienced in Iran. With all of that, I believe this revolution has already succeeded at the social and cultural level. And now we must put all of our forces together -- okay -- and we must put all of our forces together to help us to succeed

[6:33:59 PM]

at the human and the civil rights levels. Us Iranians of different genders, sexual identities and orientations and faiths and stripes and sub-cultures and beliefs are now united. This is a revolution leading to a people's revolution. There is no turning back at this point. No one can force a ripe fruit that is bursting at the seams to go back to a seed. No one can force the awakened to go back to sleep. We are here and we are ready.

[Speaking Iranian language] Women, life, freedom.

[Applause]

>> I want you to take a moment and to look around you. You will see that the Iranians are holding up pictures. Yes. These are just a few of the 18,000 imprisoned and hundreds

[6:35:00 PM]

killed in the last 10 weeks. We ask ourselves what we can do to help this revolution. I will never forget what I heard a young woman who had spent the day in the streets fighting say in an Iranian Twitter chat room one day. She said, for 43 years the world thought that we were made of the same stuff as the monsters who enslaved us. And we started to believe that lie ourselves. But today we finally know who

we are. We are brave. We are not afraid. We are the light against the dark. We know our worth. We are together. And we will win. And, finally, I held it together -- so far -- and, finally, the world gets to see the real Iran -- the us that has been buried under a heap of lies.

[6:36:01 PM]

City councilmembers, chamber audience, and those who are watching this video, help these warriors succeed and feel seen by spreading their message. Share material on social media. Pressure your representatives. If you are a persian speaker, translate info in the language of the country that you live in or re-tweet those who do. We ask that you tag influencers and share this video that we will be producing a video after this, so as to inspire other cities -- this is our big ask -- inspire other cities to create an Iranian people's revolution solidarity day, like our city of Austin did.

[Applause] This is not about governments. Let's help finally connect the people of the U.S. And the people of Iran.

[6:37:01 PM]

Thank you so much for being here. Thank you, councilmembers, thank you, mayor. We appreciate you.

[Applause]

[Chanting]

>> Women, life, freedom!

>> Mayor Adler: I think that we're going to -- you guys ready for us to -- one last picture?

[6:38:04 PM]

Yes, yes. All right, we have some distinguished service awards for selected artists. If the artists could all come up here as well as the homeland security emergency management folks. And if you are leaving the chamber, if you would do that quietly, so we could move forward, that would be helpful too. Thank you. Thank you.

[6:39:49 PM]

So, Juan, you going to help me to introduce this? You want to speak to what it is?

>> Yes.

>> Mayor Adler: Okay. So, if we could have -- if we could have folk's attention and if you are leaving the chamber, please go ahead and do that, but if you could do that quietly, that would be great. Okay. So, we -- sometimes here in the city -- we get the chance -- to honor folks that have -- that have done something that distinguishes themselves in service to the city or otherwise. And we have some distinguished service awards for some artists that have helped to inspire us and helped our homeland security emergency management department, director Juan Ortiz, Juan, you want to explain what is happening here?

>> Thank you, mayor and

[6:40:49 PM]

councilmembers. Thank you, everybody. Every year we -- excuse me -- every year the homeland security is with the office of emergency management and our independent -- our school districts and our schools in our community to do a poster contest. What you have here with us is the -- the selectees that were

selected from the poster contest. Which make up our -- our emergency preparedness calendar. I want to thank the schools also as well as the parents, and most definitely the children and the -- the students that actually did the work and then made up our calendar. All of the ones that participated as well. Thank you very much for the great work.

[Applause]

>> Mayor Adler: So we have some distinguished service awards.

[6:41:51 PM]

They all say the same thing but they're given to different artists. And this is a city of Austin distinguished service award. It's for selected artwork that inspires individuals and families and communities to prepare for emergencies and disasters. And the artwork is going to be featured in the city of Austin office of homeland security and emergency management's 2023 community preparedness calendar. And each of these individuals -- each of these artists is deserving of public acclaim and recognition. Each is getting this certificate presented in acknowledgment and appreciation thereof. This first day of December in the year 2022. Issued by the city council of Austin, Texas. And as mayor, I had the privilege of being able to sign them. So let me -- let me call up the

[6:42:53 PM]

artists, and -- and our -- they are absolutely beautiful in the script type that our clerk uses but it also means that I can't read them.

[Laughter] But let's try and if I mispronounce the names let's make sure that we fix it so we have the names fixed correctly. So Abraham monales.

[Applause] Come on up here. Come on up here. Thank you. Okay. We'll take a picture in just a second. Mila fuella.

[Applause] And then we also have Erin Tessier.

[Applause] And then we have Samantha

[6:43:57 PM]

Duncan.

[Applause] Jack Coleman.

[Applause] Thank you. Richmon Rames.

[Applause] And niam Patel.

[Applause] Okay, we have some other artists. Ariana Craig. Is she with us? Let's give her some applause anyhow.

[Applause] What about -- um, Alina waring?

[6:45:05 PM]

[Applause] Lenin Gibson.

[Applause] Congratulations. Okay. Um, sola martin is. Solia Martinez.

[Applause] Congratulations. And Daisy batris. Okay, not with us.

[Applause] And Ethan -- not with us.

[Applause] Okay. All right, let's hear it for all of them together.

[Applause] Get a picture with you guys.

[6:46:58 PM]

[Applause]

>> Thank you, thank you for the ceremony. It was very nice.

[6:48:41 PM]

>> Mayor Adler: All right, do we have some aid officials? Hi. Gabby, I don't know if you want to join up here or not. All right. We have a proclamation to be accepted by some -- some Austin independent school district folks related to -- to an initiative supporting solar power. Something that I just spent a week on with the climate change cop 27 conference in the middle

[6:49:44 PM]

East. Everybody in the world knows how Austin is leading forward in this. Be it known that whereas, the city of Austin has set the goal of equitably reaching net zero community wide greenhouse gas emissions by 2040, meaning that the Austin community would reduce our use of fossil fuels to nearly zero. And, whereas, the Austin energy resource generation and climate protection plan, aims to achieve a total of 375 megawatts of local power, solar capacity, by the end of 2030. Of which 200 megawatts will be customer sited, and, whereas, the Austin independent school district first installed ground-mounted solar arrays in 2002 to produce renewable energy and begin installing solar panels on the rooftops of its

[6:50:45 PM]

schools in 2012. And currently, 14 aid facilities have roof roofpanels which produce two megawatts of energy or enough to power 230 homes. And, whereas, Austin ISD schools produce more solar power than all other Texas school districts combined --

[applause]

-- That's worthy of applause. And that's according to the environmental protection agency. Only one school district in the nation purchases more green energy than aisd. Now, therefore, I Steve Adler, mayor of the city of Austin, Texas, along with my colleagues on the city council, do hereby proclaim December 1st of the year 2022 as aid solar power facilities day in Austin, Texas, in recognition of these achievements.

[6:51:47 PM]

Congratulations.

[Applause] Someone want to say anything.

>> We want to say thank you and we're very thankful for this honor and thank you, mayor and city council, for supporting our schools. And the future of our community. So let there be sunshine.

>> Mayor Adler: Absolutely. Let's take a picture.

[Applause] Let's center right here.

[Applause]

[6:53:34 PM]

>> Mayor Adler: All right. Thank you. Is Christopher Hamilton here with us?

[Applause] How are you doing? Good to see you. How are you doing? All right, we have another proclamation. Be it known that, whereas, December 1st is internationally recognized as world AIDS day, and the red ribbon is the universal symbol of awareness and support for people living with H.I.V. Texas health actions rock the ribbon initiative empowers Texans to know their H.I.V. Status. And, whereas, the Texas health

[6:54:36 PM]

action, a community-informed non-profit that provides access to quality health services in a safe and supportive environment, will rock the ribbon and provide 24-hours of free H.I.V. Testing at the kind clinic in Austin. The one starting on world AIDS day. And, whereas, Texas health action kind clinic continues to provide free sexual health services in a safe and supportive environment, regardless of race or creed or gender, identity and expression sexual orientation, immigration status, or ability to pay. Now, therefore, I, Steve Adler, mayor of the city of Austin, Texas, together with my colleagues on the city council, do hereby proclaim December 1st of the year 2022 as "Rock the ribbon day" in Austin, Texas.

[6:55:41 PM]

[Applause] Christopher Hamilton.

>> Thank you so much to the mayor and to the city councilmembers. The mayor has been a long supporter of reducing and eliminating H.I.V. Transmission in our community. Who signed the Paris declaration in 2018 to get us to zero transmission in our community. People with an undetectable viral load cannot transmit the virus, combined with once daily medication prep for H.I.V., we can eliminate H.I.V. Transmission in our community. Thank you.

>> Mayor Adler: Thank you.

[Applause]

[6:57:10 PM]

>> Mayor Adler: Already, Kathie, I think that you and I are doing the one here for the health department. You want to read it? Thanks, guys. Thank you. All right, proclamation. Be it known that, whereas, world AIDS day began 33 years ago on December 1st, 1988. It continues to be an essential way to celebrate the extraordinary advances that we've made in the battle against H.I.V. And to remind us that H.I.V. Has not gone away, and that there is still much work to be done. And, whereas, in the Austin

[6:58:13 PM]

area, there were 279 new H.I.V. Cases in 2020, and of the approximately 8,262 people living with H.I.V. In the Austin area, it is estimated that over 1,332 are unaware of their status. And to help steer the response to the H.I.V. Crisis and ensure the best care for the community, the H.I.V. Planning council, along with the Austin alumni chapter of the delta stigma pheta sorority incorporated, what's in the mirror incorporated, support the efforts of the community, including, but not limited, to the fast-track cities and ending the H.I.V. Epidemic initiatives. And, whereas, the H.I.V. Planning council, the Austin alumni chapter of the delta

[6:59:14 PM]

stigma pheta sorority inc, and what's in the mirror incorporated and the city of Austin, are committed to ending the AIDS epidemic by 2030. Now, therefore, I Steve Adler, mayor of the city of Austin, Texas, along with my colleagues on the Austin city council, do hereby proclaim December 1st of the year 2022 as "World AIDS day" in Austin, Texas. And I want to thank our health department for all of the work that they do. .

>> Hi. I'm the head of the governance and membership committee for the HIV planning council. I would like to say thank you on behalf of the planning council. We thank you for your support

[7:00:14 PM]

and hope to continue to be a support for the community most impacted by the pandemic. Thank you. [Applause]. .

>> Good evening. I serve as the first vice president of the Austin alumni chapter of the delta sigma theta incorporated. I'm in the absence of our president. We thank you for this proclamation, recognition. We were established on January 13, 1913 by collegiate women who were inspiring and motivating. We are the largest international public service organization made up of predominantly African-American women. We join you in observing this day as world AIDS day, a day

[7:01:14 PM]

that we will join with others in recognition to unite to show support those with hiv-aids and those who have died from the terrible disease. We want to continue to educate, continue to make strides in the medical field to eradicate this disease and we join and thank you for this honor.

[7:03:01 PM]

>> Mayor Adler: All right. If we could have you guys come on up. Kathy?

>> Tovo: Welcome. I am council member Kathy tovo. I represent district 9 and I think I'm about to present my last proclamation as a council member. And I'm super, sieper -- super excited to present this. I love the blue Santa operation. I want to thank all the staff and volunteers who make this happen -- from the actual blue Santa to the other members who

[7:04:03 PM]

support it. It's an event my daughters and I enjoy every year and we appreciate all the warm welcome and all the wonderful things. It shows what a shining city Austin is. Very often -- if we don't get there early enough, we only get maybe one run through because there are so many -- so many neighbors who come out to deliver packages to their neighbors that usually after a couple of hours all the packages have been delivered so it's an extraordinary experience and I encourage everyone to support operation blue Santa, whether you can help deliver packages or wrap packages or help in other ways. So I would like to present the following proclamation. Be it known that whereas the Austin police operation blue Santa provides toys and food for those in need in the

[7:05:03 PM]

holiday season, whereas Austin police blue Santa operated solely on donations from the people of Austin and whereas the organization is staffed by liaisons and hundreds of volunteers and whereas the - let me start again. Whereas the Austin police department began Austin police operation blue Santa in

1972 and this year the program celebrates its 50th year spreading Christmas cheer to the people of Austin and whereas Austin police operation blue Santa began with two patrol officers serving families and has grown to serving 5,000 families and 13,000 children, and whereas it has made an impact in the community and whereas the

[7:06:07 PM]

partnerships and volunteers without whom operation blue Santa could not reach the people they do, and whereas blue Santa is grateful for the loyal cause of benevolence to the communities and the APD officers who 50 years ago took it upon themselves to make a difference in the lives of our citizens and the legacy continues, I along with our mayor and colleagues proclaim December 17th, 2022 as operation Austin police blue Santa day in Austin, Texas. Congratulations.

>> Good evening, everyone, honorable mayor, mayor pro tem, city manager, executive

[7:07:13 PM]

staff -- it humbles me on behalf of the Austin police department, the blue Santa board members and organization -- we're grateful for you all acknowledging us in such high esteem. I'd be remiss if I did not acknowledge the community members and stakeholders that make this possible each and every year. One successful season of blue season with a little luck is monumental, but I think you'll all agree that 50 years, five decades of anything move us to a phenomena and I believe it's through selflessness, community, capacity building and quite frankly just pure goodness. So it's in the spirit of that that we're hopeful we can continue serving our community and we're grateful. God bless you and thank you all.

[7:08:19 PM]

>> I took the whole end off. I'm the president of the Austin police operation blue Santa. I'm sorry. Anyway, I just wanted to say we are so grateful for the community and so grateful for this proclamation and I'm grateful to see all the people here today and especially blue Santa. He had to take off from his schedule to come be with us, which is hard. This is a great day for us. We want to let you know we look for the community to adopt some of our families because this year we had a really large load of families coming and we're not able to serve them all. We serve a certain amount that we can deliver to, so we're looking for adopters out there maybe for 2,000 families. We always need toys and the community always comes through. You have time to participate in our program and our main delivery day is on the 17th of December. Come out and check our website and we need every one of you.

[7:09:20 PM]

Thank you so much. If you can go to our website which is bluesanta.org we're listing there for volunteers and all the ways you can volunteer with us. Thank you so much.

[7:12:13 PM]

[Music]

[7:44:42 PM]

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>> Mayor Adler: We're back again. We're going to reconvene the Austin city council meeting here on December 1st, 2022. Time the 7:44. Colleagues, what we're going to do is pick up Kathy's 41, 43 #, 44. 36 we're going to punt until tomorrow. We're going to appreciate, Kathy, you doing that because I haven't had a chance to read your 36 yet. And Kathy has copies if you need one.

>> Is there a red-line version or is this where the version might be so complex that it doesn't make sense. I think the back-up didn't have

[7:45:44 PM]

the changes

>> Tovo: Latter of what you said. 36 -- most of it ended up in the other resolutions we're taking up so it was -- it would have been a meaningless read-line draft. Thank you. I did post it in back-up and if anyone needs copies, I'm happy to hand them down. Shall I take out 43.

>> Mayor Adler: After we do that, we're going to take up the tirz. Anyone have any amendments or is that going to be straight of up vote? Possible amendments. I'm not saying people aren't going to ask questions or there's not going to be debate. I'm trying to figure out complexity. We'll pick up the tirz then. It looks fairly simple. Then we'll do the pud. And then we'll stop. We'll do them in that order.

[7:46:45 PM]

Kathy, let's begin -- let's begin with Kathy. There you are.

>> Tovo: I'm distributed two amendments. One makes it really clear -- it's -- just one -- let's see. What I'm modifying is the mayor's amendment which had a bullet that said long-leases already approved by the city council. I'm suggesting adding the language "Such as planned parenthood."

>> Mayor Adler: Any objection? Council member pool.

>> Pool: My staff is drafting up to get to the place where I was trying to communicate. We want to take out reference to long-term, short-term, midterm

>> Tovo: That's my second amendment.

>> Mayor Adler: I think you may be covered on that. Looks like council member tovo

[7:47:45 PM]

did that also on the break

>> Tovo: I was proposing some other language. I think the easiest way to resolve it is to -- with the following language. That's the only reference to that issue and so I think it -- the easiest thing is to take it away. Take it out.

>> Pool: I don't see that from front of me and it sounds like it would be okay --

>> Mayor Adler: Say it again more slowly.

>> Pool: Let me finish what I was going to say. I also wanted to take out the language about long-term subs subsization and so forth.

[7:48:46 PM]

Maybe I was misunderstanding.

>> Mayor Adler: Listen to Kathy -- I think you may have both done the same amendment.

>> Pool: Good

>> Tovo: Ignore the yellow sheet for a minute. I think the easiest thing to do is to look at the mayor's --

>> Mayor Adler: Motion sheet number one

>> Tovo: You'll see the first bullet --
>> Mayor Adler: Anybody need a copy of that? I have copies of that. Hang on one second.
>> It's a little hard to pay attention to which version of which paper we're looking at. There's a lot of paper flying around --
>> Mayor Adler: Yeah
>> Tovo: The mayor is distributing a motion -- I'm modifying his first bullet. His first bullet says -- the sentence before says, "This policy does not apply to" -- first bullet says, "Long-term

[7:49:48 PM]

leases applied by the city council." I am adding in language to say, "Such as planned parenthood," to make it abundantly clear that among the long-term leases planned parenthood is among them. Anybody have any objection to that?
>> Mayor Adler: Go ahead.
>> Pool: I want you to look at the motion I have on that topic as well.
>> Mayor Adler: Okay. We'll get to yours in a second. Let's run -- does that work? When we say no long-term leases, Kathy is saying such as planned parenthood
>> Tovo: I don't think we need to say that. I was trying to address the concerns --
>> Mayor Adler: Maybe we don't do that amendment and call attention to it.
>> Pool: Right. If you'll look at what I've recommended, I simply say we

[7:50:50 PM]

delete the phrase "And where appropriate the lease should be structured on a short-term basis to provide opportunity" blah, blah, blah sustainable subsization -- we achieve what we're trying to achieve at that period and then it goes on to the policy does not apply to -- and then it's the long-term leases already approved by city council. That gets to it as directly as I think --
>> Tovo: I think we're in agreement.
>> Mayor Adler: Are you okay with Leslie's language
>> Tovo: I'm totally fine with it.
>> Mayor Adler: In the sheet -- she's stricken out the -- it begins with -- people okay with striking that language? The language is stricken. Now we get to the first bullet

[7:51:51 PM]

point. Can you explain that one?
>> Pool: Just that it goes back to which was on your version two, long-term leases already approved by the city council. That -- that was what in Adler version two, motion sheet one
>> Tovo: That's in the original language. Leslie handed out a sheet. We're back to the original.
>> Mayor Adler: Back to the bullet point contained in my motion sheet. Anybody have objection to that? Hearing none, are there any other amendments we need on item 43? Yes?
>> Tovo: We had --
>> Mayor Adler: We already adopted that one.
>> Tovo: Mayor, while people are thinking, if they have any other amendments, I want to offer to explain the language about short-term, which we've

[7:52:51 PM]

now stricken, which is totally fine. With regard to the cultural arts conversations we've had about grants we've had conversations about not setting expectations for long-term support so that we can really make those opportunities available to a wide-range of organizations, including those who are early in their stages so that line was an attempt to do the same thing with our properties to offer assistance to organizations trying to find their footing and make those available to others. But that's for -- that's something you can sort out with -- when the manager comes back with the policy.

>> Mayor Adler: Got it. All right. Council member tovo makes the motion we approve item 43 with the amendment from motion sheet 1v2 that I had with the language change that council member pool has suggested that strikes the second half of that sentence. That's been moved and seconded.

[7:53:52 PM]

Just in case the record doesn't reflect, anyone want to second that? Council member vela seconds that. It's out. We're not putting in it. Just the changes I just said. Moved and seconded. Let's take a vote.

Those in favor, raise your hand. Those opposed? Council member harper-madison, are you with us?

>> Harper-madison: Mayor, I'm raising my hand, so I can't -- can you see me?

>> Mayor Adler: No, we can't see you.

>> Harper-madison: How about now.

>> Mayor Adler: Got it. Unanimous on the dais. Council member Kelly votes no. Others voting aye.

Passes as amended

>> Tovo: I'll move approval of

[7:54:53 PM]

41 incorporating the amendments on the sheet that have been distributed. These were done in collaboration with the Austin economic development corporation and also our city staff, and it's my understanding but of course staff should speak to this, but it's my understanding that with these edits that staff are supportive of this motion -- of this resolution.

>> Mayor Adler: Okay.

>> Are these posted or sent out by the clerk so those following along with keep up?

>> Tovo: That is a very good question, council member Ellis.

>> This is the clerk. We do not have copies, and they are not published, so we will need hard copies, please, of any amendments that are being

[7:55:54 PM]

distributed.

>> Tovo: Thank you. We will get you one right away.

>> Mayor Adler: Do we need to come back to this?

>> Tovo: I can -- mayor, we'll get them posted on -- get them distributed as soon as we can. We did distribute them on the dais and I can quickly read them out for the public.

>> Mayor Adler: Why don't you post them. When you post them, raise your hand and we'll stop and come back for this. 44 we're going to table for a second and try to find council member tovo's amendment and see if it's sufficient. That gets you to the end of 44.

>> Mayor Adler and council member tovo, can you offer me the opportunity quickly to alert my team who are either in

[7:56:54 PM]

chambers or watching -- what's the best way to get me caught up and at the same rate of speed as everybody in the dais, them being in the building and me not

>> Tovo: Thank you, council member. We'll make sure item 41 -- the edits get distributed. What we're moving onto are what the mayor has brought forward.

>> Mayor Adler: Which have been posted and handed out. My amendment page, which was -- I don't know. On 44. It was motion sheet 1-v-2 for 44. It's been posted and handed out. Council member tovo has one she's handed out on the dais but will shortly be posted. Since people haven't seen it, including you, we're going to

[7:57:55 PM]

table this item right now until you have had a chance to see it and others have had a chance to see it. We're not going to vote on -- item 41 is one we're not going to vote on. Is that right? That's right. Now -- so item 41 is the one we're tabling. People are going to get you that copy. That gets us to item 44. Is there a second to item 44? Council member kitchen seconds it. Council member tovo, I have offered motion sheet V- -- are you okay with that?

>> Tovo: I'm okay with all those items with the exception of the change that you're suggesting on the affordable housing as we discussed.

>> Mayor Adler: You're okay with everything except the first paragraph

>> Tovo: Yes.

>> Mayor Adler: Any objection to everything going in except the first paragraph?

[7:58:55 PM]

Let's talk about the first paragraph. Yes, mayor pro tem?

>> Alter: Is your 41 posted.

>> Mayor Adler: Sorry?

>> Alter: Just so when we go back to 41, is --

>> Mayor Adler: I don't have a

>> Tovo: And then, mayor, I believe that we'll need to pause here too, because you had -- you have amendments that have been posted. I have the additional one that I've discussed with many of you about adding -- not many of you -- a few of you, about preference for city employees that I don't believe that I distributed on the dais, according to the clerk. So I need to quickly -- I'm afraid that I'll need to get those.

>> Mayor Adler: 44 is on the table along with 41. All right. So we'll come back to those, 36 is tomorrow. So the next item that we'll pick up now then is the tirz item.

[7:59:57 PM]

The tirz item is number --

>> 54.

>> Mayor Adler: Thank you. Item 54. I move item 54, is there a second to that? Councilmember Renteria seconds that. Real quickly, colleagues, I think that we'll need to get staff on this eventually. 54 tirz takes the elements of the tirz as was recommended by staff, so it contains the geographic area that the staff recommended, it contains the reimbursement levels that the staff recommended at 46%. So it was what staff were recommending. We have all seen that that there's a lot of stuff that we want to have in this area of the city. Real significant parkland that becomes regional and as well as

[8:00:57 PM]

local benefit to the community, we want affordable housing. We all recognize that we're not going to be able to get any of that unless we can get enough building there to be able to support that. That throws off the dollars to be able to make that happen. But in order to be able to have those buildings that throws off what we need to support it. We need to improve the infrastructure. And we've seen that the infrastructure costs could go as high as \$300 some odd million to do everything that we want and that doesn't include the affordable housing. We also know that at some point in the future, looking at the regulating plan, we have already taken the action to ask staff to come back to council and to the community to take a look, you know, how we develop that property. I have heard as we've heard a lot, you know, the questions in the community about tizr. And then the most common one that we hear is that it takes money out of the general fund

[8:01:58 PM]

and that used to be the case. But as we've learned that's no longer the case. This is something that the legislature has left open to us in order to be able to enable us to actually have more revenue than the 3.5% cap would otherwise allow. And this gives us a chance to take advantage of that for however long that exists. But as staff has pointed out, both in answers and in their testimony, that doesn't result in -- in any property -- any dollars or any decreased revenue in the -- in the general fund. There's been a question about whether or not you can do a tizr in an area that would otherwise develop on its own. And our legal staff has told us, yes. No one is saying that this area wouldn't develop if we didn't do this. It's just not going to develop the way that we would want it to develop. We want to have a dynamic area with a lot of people that are

[8:02:59 PM]

going to support transit. Especially with the transit station there. That means that we need more space for more people and more opportunity for people to be able to build. If we don't do this, it will develop - it will develop in significant ways, but there will be low slung buildings and not with the number of people or with the volume that is necessary to raise the dollars that we -- that we want. And legal says that we're allowed to use the tizr if the development that we want to have happen? Isn't going to happen on its own. This is urban planning. This as a council that we sit and decide what we want to have built in different parts of our city and then bringing the -- the public infrastructure, the streets and the roads, to promote the kind of development that we want to have take place. By using the numbers that we're using, it is really clear that we're only assessing the but for

[8:04:01 PM]

dollars, the dollars that otherwise wouldn't be achieved. But, frankly, this is the only way that we're going to be able to get the massive parks that we want. It's the only way that we have any shot of getting the affordable housing that we want and the number of people that we want. And it would just be wrong for us I think to put what's going to be a significant project connect station there and not just have lots of people there for -- for -- for ridership. I've heard a lot of people in the community suggest that it's a giveaway for a developer. I don't know how to respond to that, other than to say that it is not. All that we're doing with the tizr is building out underlying infrastructure that's necessary for us to get the kind of development that we want, which is an end of itself, and it's also the development that is

necessary for us to be able to get all of the community benefits that we want to have. I appreciate staff's work on this over last year and in

[8:05:03 PM]

refining it. Legal's work, and making sure that we're doing something here that is kind of cutting edge and -- and -- and new in this kind of application. In terms of recognizing that it doesn't impact the general fund. So I appreciate everybody's effort on it. And I hope that it's something that council can support. I think we have given everybody chance to speak, so my motion is to -- to approve this item and to close the public hearing. Mayor pro tem.

>> Alter: Thank you. I had some questions for finance, maybe for legal.

>> Mayor Adler: Okay.

>> Alter: I didn't second it, I don't know who seconded your motion.

>> Mayor Adler: Is there a second to that motion? Pio seconded that motion. Okay, so he's -- I have called

[8:06:05 PM]

up at the same time 54 and 10. Can I do those together?

>> The public hearing is on 54 and then you have two separate ordinances.

>> Mayor Adler: Okay. Council wants us to take them up separately. 54 is the public hearing. I move to close the public hearing now that everyone has had a chance to speak. A second to that?

Councilmember pool to close the public hearing. Hearing no objection the hearing is closed. I moved item 10, councilmember Renteria has seconded that. Go ahead and proceed.

>> Alter: Thank you. So, we have heard the mayor's interpretation of the impact on the general fund, if we do a tirz. Can you explain it as our chief financial officer?

>> I believe that the mayor's explanation that you are speaking to is about how this tirz does or does not impact the city's general fund. And the way that we've structured it, the way that

[8:07:05 PM]

staff has recommended it, and the way that it is before the council today, it's been structured in a way so that it would have no general fund impact. The boundaries that we have set up and the percent recapture that we have set up is only designed to capture the revenue that would not come but for the public investments that the -- that the tirz revenue would support.

>> Alter: Okay. And can you point to where in the documentation that the "But for" analysis is beyond the -- the analysis that just says what would be built. Like, I've had questions raised about whether we have -- in the actual backup of what we're passing -- if we have the financial analysis necessary to establish the "But for."

>> So that -- the market analysis that we had done is the basis for the "But for"

[8:08:06 PM]

analysis. That essentially what you see in the Charles high Smith analysis and the cmr analysis is that "But for," or with the public investment, we are projecting more than \$3 billion of private investment occurring that would not happen, but for the public investment that would allow that to occur.

>> Alter: Okay. I will just flag that, you know, questions have been raised on this. I don't know if there would be a legal challenge based on that. I appreciate that the pud is now excluded, is that correct?

>> That is correct.

>> Alter: I appreciate that and I appreciate that the affordable housing is now in there, but I'm not going to be able to support the tirz. I'm frustrated that we don't have the regulating plan. I'm just -- I'm just not ready to support this for -- at this time.

>> Mayor Adler: Okay, thank you. Councilmember kitchen.

>> Kitchen: I have a couple of

[8:09:07 PM]

questions. So -- so all we're voting on today is essentially the -- taking it from 0% to 46% and we're not voting on a plan, is that correct?

>> You're voting to amend the preliminary project and financing plan, which does change the project boundaries from what you had initially approved to carve out the snoopy pud site as councilmember alter talked about, to change the recapture percent from zero percent to 46%. It also changes the administrative costs to be something that could happen on an annual basis, so \$300,000 a year essentially in administrative costs, which we would envision to go to support the Austin economic development corporation. And the -- one final change that --

>> Kitchen: Well, the reason that I'm asking --

>> The one final change is affordable housing, the direction to include \$69 million as a tier one project for affordable housing.

>> Kitchen: I don't see in the documents where we're voting on

[8:10:07 PM]

the preliminary plan. And this may be a legal question. The ordinance that's in front of us to vote on references attachment a. Okay. That's not the plan. The plan is attachment C. So maybe I just need legal to point out to me where we're voting on the preliminary plan. Because I was reading this and maybe I was reading it wrong, but I was reading it that -- what we were voting on was an ordinance amending the ordinance -- I mean, basically the item that says an ordinance that references, you know, attachment a, which changes the boundary -- like you mentioned. And that ordinance also has in it the dollar amount, you know, changing -- not dollar amount -- changing it to the 46%. So I see that too. But, am I missing something? How are we voting on exhibit C?

>> I think that the last part of

[8:11:08 PM]

the ordinance title speaks about amending the preliminary financing plan, related matters, and item -- or appendix C is that plan.

>> Kitchen: But that's not in what we're voting on. Am I misunderstanding -- because it says -- amend the preliminary -- because that's just a title. That's not --

>> There's a document in the backup appendix. There's three appendices and there's an appendix C, and it has the plan in it.

>> Kitchen: But what is appendix C, 2a document -- normally what you would do -- and I just want to understand. Y'all just need to point it out to me, because I get what we're voting on, which is this ordinance. And it references appendix C.

>> Or exhibit. Sorry.

>> Kitchen: Yeah, but it doesn't reference exhibit C. So if we're voting on the preliminary plan, then the

[8:12:08 PM]

motion needs to be both for this ordinance and exhibit C because it's not referenced in the document. And exhibit B is not referenced in the document either. So that's why -- that's why I'm kind of confused about and wanting to understand exactly what it is that we're voting on. Does that make sense what I'm asking?

>> Exhibit C is tirz number 19 which is referenced in the ordinance is what we're amending. And it amends the boundaries and it amends the plan to allow the financial to allow the financial plan to allow affordable housing as a tier one improvement. And it moves the percentage to that. When it refers to tirz no. 19, that's the plan that is in exhibit C.

>> Kitchen: But where are we adopting?

>> Mayor Adler: Ann, did you want to address this?

>> We have already adopted -- they have already set forth the plan when we launched the tirz last time.

>> Kitchen: Okay, that's what I'm trying to make clear for people. So we're amending the plan.

[8:13:08 PM]

We have already adopted the preliminary plan. But it is a preliminary plan, right?

>> This is an amended preliminary plan, still a preliminary plan.

>> Kitchen: Okay. So my question then is -- it's preliminary, so what does that -- what is the timeline for -
- I guess are we calling it a permanent plan? Or what is the -- what is the timeline?

>> There's not a timeline that is required by state law, but the timeline staff would intend to follow the regulating plan. We would update the market analysis, and update the revenue projections at the same time, also update any project related costs and come back with a final plan for council to consider and approve.

>> Kitchen: Okay, I guess that the bigger picture that I'm really trying to get to is what are we spending these dollars on? Right now we're spending these dollars according to the preliminary plan, but that is going to change when we get -- or it could change -- when we get the regulating plan, am I understanding that correctly?

>> Yeah, the project plan can change and the preliminary plan can be changed as we move to a

[8:14:09 PM]

final plan.

>> Kitchen: Okay. So we're not voting on a final regulating plan?

>> Certainly not on a regulating plan.

>> Kitchen: Okay. All right, so then my other question is -- the tiers -- the tier ones, two and three, there's language about reassessing -- that the funds go first to tiers one and then reassessing for tier two and three. Could you explain that?

>> Sure. Maybe it's helpful to contrast the tirz that you recently passed for the colony park, where there were project costs beyond what the tirz could fund. And so we were able with colony park to come up with an overall financing strategy. We haven't been able to achieve an overall financing strategy for south central waterfront vision yet and we believe that the tirz is part of that financing strategy. So what you see in the list of projects is an estimated \$350ish

[8:15:10 PM]

million, I don't have that number right in front of me, the project costs against the tirz funding that is it substantially less than that. So what we have developed on advisement from the consultants that we have worked on this is a teared structure -- so first tier initially had included transportation improvements. We've added per council direction housing as a tier one project. And then depending upon how the project performs, if the project performs better than we expect and there's more revenue than we estimated, then we can move into tier two, tier three, three four projects.

>> Kitchen: Okay. So are the tiers in order? Or the thinking is that the \$83 million for the roadway and drainage can be covered as well as the \$69 million for affordable housing?

>> So with the affordable housing in there, there's not enough -- there's not enough revenue projected from the tirz alone to fund all of those tier one projects. Staff had initially recommended

[8:16:10 PM]

that the roadways and the drainage, \$83 million for the tier one project and we added affordable housing to that, per the council direction. But there is not enough revenue from the tirz alone projected to fund all of the housing and all of the -- the roadway construction, yeah. Championship okay. So what's the -- I didn't see this, but I may have missed it, so what is the process for determining which one of those gets fully funded?

>> That would be in the final plan, we'd have to have that decided for the final.

>> Kitchen: Okay, so the final plan determines if the affordable housing gets \$69 million. Basically the final plan would determine how those dollars were allocated across these two items in tier one?

>> Well, ideally in a final plan we would also be looking to other funding sources that could be brought to bear to achieve --

>> Kitchen: Sure.

>> And scaling the project costs to the available revenue. So the final plan should be more

[8:17:11 PM]

like what you saw for the colony park, a complete package, where the revenue dollars balanced to the expenditure dollars. We're not there yet, that's why this is just a preliminary plan.

>> Kitchen: Okay, okay. Those are my questions.

>> Mayor Adler: Any further discussion on this before we take a vote? Councilmember pool.

>> Pool: I wondered if either of them could explain what tirz funds can pay for, what they can't? Like, it's clearly public infrastructure, roads, utilities. But if these parcels were developed under non-pud circumstances, what would the city's participation look like?

>> We would still participate basically is what I assume.

>> The last part of your question again, please?

>> Pool: If these parcels were developed under non-pud circumstances --

>> Sure.

[8:18:11 PM]

>> Pool: What would the city's participation and infrastructure look like?

>> So there's nothing in this plan that presupposes anything that might happen on an individual parcel or a pud. The plan is in the market analysis is for the entire district boundaries in total contingent upon the south central waterfront vision that council passed in 2016. So the pud discussion that's on today's agenda is not, you know, specific to the tirz that we're talking about. So if that pud discussion wasn't

happening, the tirz -- everything in the tirz analysis that we have brought forward, the recapture percent, would all be exactly the same.

>> Pool: Okay. And does the tirz absolve a development from paying its fair share of the cost of infrastructure related to a development?

>> No, the tirz doesn't do that.

>> Pool: Thank you.

>> Mayor Adler: Any further discussion before we vote?

[8:19:11 PM]

Yes, councilmember vela.

>> Vela: Just a quick question. When you say the rate is set at 46%, does that mean that 46% of the revenues is going toward the tirz and the rest is going toward the general fund?

>> Not quite. Close, but -- so 46% of the incremental revenue -- there is the base value, and then there's going to be incremental growth on top of that. 46% of the incremental revenue will go to the tirz. The remaining revenue will either go to general fund operations, general fund debt service or the Austin transit partnership.

>> Vela: Okay, excellent. So even in the situation where we're creating the tirz, we're still getting a boost to general fund revenues, it's just going to be split essentially between south central waterfront improvements and the general fund and debt service? Okay, excellent, thank you very much.

>> Mayor Adler: Okay. Councilmember pool.

>> Pool: One more thing to add, and thank you for that comment,

[8:20:12 PM]

councilmember vela, because it reminded me. In the past I have opposed tires, just on a general concept, but they have mostly been like 100% of the incremental revenue has stayed on that property. This one is very different. And I have balanced out the -- to me the very clear community benefits, public benefits, that are going to come to us that will accrue from this, against both us assisting via 46% of the incremental revenue being plowed back into the -- into the property. And rest of that revenue going to general revenue. Thank you.

>> Mayor Adler: And some of the time you voted against them in the past it may have been in situations where the money reduced the amount of available funds in the general fund, which is no longer the case. Unless and until the state changes that. All right, let's take a vote. Those in favorite of the tirz at this time, raise your hand. Councilmembers pool, Renteria,

[8:21:15 PM]

harper-madison has her hand raised, Fuentes, Ellis, and myself and vela. Those opposed, please raise your hand. It's the mayor pro tem, councilmember tovo, councilmember Kelly is abstaining, is kitchen. And so this passes 7-4-3.

>> Kitchen:mayor, can I make a comment. I'm abstaining because I'm uncomfortable voting on something where I do not have the final plan. And so -- and since I won't be here next year when you guys take up the final plan, I felt it best to just abstain, because I don't -- I don't have sure tee surety on what I'm voting on how those funds will be spent, so that's why I abstained.

>> Mayor, to be clear that I think that it was seven in support and three nos and an abstention.

>> Mayor Adler: I got it wrong,

[8:22:19 PM]

7-3-1, and I did, I think I had 14 votes there. 7, 3, and one abstaining, passes. Thank you. Councilmember tovo, are you ready to bring us back.

>> Tovo: I am, apologies for that, I'm a little scatterbrained and forgot to subplit to the clerk. And the amendments for 44 from the mayor have been distributed and then my amendments are also distributed, and in a minute we'll have 41 as well. So 44 is the item -- mayor, did you want to do 41 or 44 first?

>> Mayor Adler: Either one.

>> Tovo: Okay, so I will move approval of item 44.

>> Mayor Adler: Okay, item 44 we have incorporated by agreement already. My motion sheet, with the exception of the change to the first paragraph. So now let's talk about the change to the first paragraph and then put it to a vote.

[8:23:19 PM]

Councilmember tovo, the intent of the amendment was you had set a goal of 85% of telling staff to get to the target goal of 85%. And I have changed that to say that the city seeks to maximize the amount of housing as well as the depth of the affordability of those units, rather than using a percentage target and we will pursue partnerships. I did that because I think that the ultimate goal that we have, colleagues, is to get the greatest number of units. So if there's a larger universe and a smaller percentage, but more units, I will support that more than a lower universe. Because it's less units. And my goal is always going to be to try to get the greatest number of units that we can possibly get. So this language then tracks that intent. Beyond that, we've seen a lot of the properties that the city evens that you just can't get to 85% if it's not a subsidized

[8:24:20 PM]

project it may not be the case. So yours was just a little bit too prescriptive and it doesn't stop us from getting to 85%, if that's the appropriate thing to do in any situation, it just doesn't presuppose that is the right answer.

>> Tovo: And mayor if I may -- thank you. And I totally understand that point and I had in my original set, otherwise generate a significant number of affordable units. But I understand your concerns about the percentage. I have on the motion street that has been distributed to try to marry the two, so that it keeps the percentages, but includes the language or otherwise maximize the number of housing units and with affordability, rather than using a percentage target. And then it picks up your language about partnerships. So it has both. And the reality, I mean, is that the process would be to talk with council early on and to make sure that it's really clear what their priority is and where

[8:25:21 PM]

they want to set those targets. But -- so, it's just two different approaches but, again, I did take your feedback and try to marry it with the target percentage.

>> Mayor Adler: And I appreciate the -- the attempt to do that. I still like my language better, for all of the reasons that we were talking about. These resolutions, I just think that the staff is going to read that and think that they have to try to hit 85%, and I would rather them just to be focusing on maximizing the number of units. All right, that's the issue. Let's take a vote. My amendment is what has been offered. So my language -- my offer amendment that says focus on the total number of units and the depth of

affordability is being offered. Those in favor of that amendment, please raise your hand. Those opposed to the amendment? Councilmember tovo is opposed. Those abstaining is the mayor pro tem and councilmember Kelly. And the others voting aye, and that amendment is adopted. Now we're ready to vote on 44 as

[8:26:22 PM]

amendzed. Amended.

>> Tovo: I have one more amendment on the same motion street as the one just mentioned and it adds in the language, to the extent possible the city should also reserve or affirmatively market affordable units to city employees who qualify for those units.

>> Mayor Adler: Any objection to --

>> I don't know that I have seen that one.

>> Tovo: That's on the same motion sheet.

>> Mayor Adler: Have you handed out that motion sheet?

>> Tovo: I can. It has been distributed through the clerk, and I do have copies. I do have copies right here.

>> Mayor Adler: Hmm? Okay, it's been emailed to everybody.

>> Tovo: Oh, no, no, I'm sorry. I handed out the wrong one.

[8:27:22 PM]

>> Mayor Adler: Hang on a second, that's the wrong one.

>> I found the digital copy for what it is worth, so if we're waiting on me, we don't need to.

>> Mayor Adler: Would you read the language again that you are wanting to add?

>> Tovo: Yes.

>> Mayor Adler: It's just --

>> Tovo: This language is --

>> Mayor Adler: To try to get these affordable units to city employees.

>> Tovo: Correct. To the extent possible the city should always reserve or market affordable units to city employees who qualify for those units.

>> Mayor Adler: Any objections that being added? Hearing none, that is added. And I think that we're ready to take a vote on 44 as aryks mended. Amended. Those in favor of 44 as amended, please raise your hands. And those opposed? I can't see harper-madison how

[8:28:22 PM]

you are voting. Yes, councilmember harper-madison is that a yes vote? Yes. All right. Then I think that we have the yes vote. Are we missing anybody? Councilmember Kelly is off the dais. Okay. Item number 44 passes. 10-0, with councilmember Kelly off the dais. All right, what is the next one?

>> Tovo: Mayor, the next one is 41. This too has been distributed digitally. I'm now not remembering if I have handed it out. I thought that it was handed out -- yes, it was handed out.

>> Mayor Adler: And councilmember harper-madison -- is that posted so that councilmember harper-madison can see your changes to item 41?

>> Tovo: Yes. And, again, this is the Austin economic development corporation and these were worked with the

[8:29:24 PM]

Austin corporation as well as staff and it is my standing that the staff are in favor.

>> Mayor Adler: Okay. Councilmember tovo has moved item number 41. She's now moving this amendment. So the amendment that is in front of us. Any discussion on the amendment? Anybody with any objection to this amendment being added? Hearing none, this amendment is added. That gets us to 41 as amended. Does anybody have additional questions or thoughts on 41 as amended? Then let's take a vote. Those in favor of 41 as amended, please raise your hand. Those opposed? I'm seeing councilmember pool voting no. Councilmember Ellis abstaining. Councilmember Kelly is off the dais. Councilmember harper-madison, did you vote yes or no on that? Yes? You are muted, sorry.

[8:30:27 PM]

Is that a yes? Or a no? Or you want to talk? I see your hand raised and I don't know what it is raised to.

>> Harper-madison: That was a yes.

>> Mayor Adler: Got it. Everybody voted yes. Councilmember Ellis abstained and councilmember pool voted no.

>> Harper-madison: There is a song that I have been working on in preparation for me presenting the proclamation to U.G.K. And Port Arthur, so I could just rap it next time if you want me too. Listen, I'm fully prepared to drop bars there.

>> I would like to hear that.

>> Mayor Adler: Councilmember tovo says go for it.

[Laughter]

>> Harper-madison: Next time, promise.

[Laughter]

>> Mayor Adler: All right. But you should know that -- that we are being graced with your face, full screen. So when you raise your hand you need to pull it in front so that we can see it. That would work. All right, so that passed there on 41. I think that leaves us one

[8:31:27 PM]

left -- 43. Is that right?

>> Tovo: I believe that we did 43. I think that the only one left is 36, but you and I agreed to just take up tomorrow.

>> Mayor Adler: So that gets us then to the very last thing for us to consider tonight -- which is the pud. Jerry, you want to help us to work our way through this one?

>> Harper-madison: Mayor, just out of curiosity, this is councilmember harper-madison here. And when you say graced with my full face, I don't know what that means. It didn't sound complimentary, so I'm going to shut down my video until I understand fully what that means. But just so that you all know, I am here and present.

>> Mayor Adler: It was absolutely complimentary. It just meant that you were full frame, you were close to the camera, so we couldn't see --

[8:32:28 PM]

you are just -- you are full frame.

[Laughter] But it looked good. It looked good. All right. Before we -- before we call this one up, is there a motion to close the public hearing in Austin energy? We're going to discuss it later in this meeting which will be tomorrow, but we need to close the public hearing. Councilmember Ellis makes that motion. Is

there a second? Councilmember Renteria seconds that. Those in favor of closing the public hearing, please raise your hand. Those opposed? I'm seeing that being unanimous. Thank you, I got it that time, councilmember harper-madison. And with councilmember Kelly off, and the hearing is closed. Let's turn our attention to the pud. Which number item do we call up here?

>> Okay, mayor we'll do both -- eventually both the neighbor plan amendment and the pud, but we'll start with the pud. So councilmembers, we have in the backup, a couple of an ordinance for third reading.

[8:33:30 PM]

I believe that the best way to proceed is to go through the proposed amendments and some agreements that have been reached. There would be changes to that ordinance in your backup. So I have a list of about nine things that I'm going to walk through. The first one relates to reflectivity. You heard some testimony on this earlier today. The applicant now seeks to remove the code modification to the reflectivity requirements and, therefore, so it would not be modified. Basically, the project would be complying with the current code with reflectivity in the waterfront.

>> Mayor Adler: Any objection to amending this second reading motion, so as to take out the request for the variance for reflectivity? Hearing none, that is taken out.

>> Okay, the second one has to do -- as we have discussed discussion discussed early, for project connect to cross the bridge for the blue line across the -- across lady

[8:34:30 PM]

bird lake, we did previously discuss and the couple agreed to change the word light rail to public transit. Because that is still to be determined what form of transit will be utilizing that bridge at this point. However, the applicant also agreed that a large portion of this land -- or the land that would be used for this would be within the area that they have also had as parkland. So the applicant agreed if any portion is used for transit use an, they will pay the parkland dedication fee on the property they had donated to us. Because of the uncertainty about what the -- what the mode of transportation will be, the applicant has requested and the staff has agreed to place a limit saying that that area of parkland dedication fee paid by the applicant for transit use on what would have otherwise been parkland is limited to no more than 25,000-square-feet. And we're proposing to put a statement in there saying that the careful consideration will be given to the area used to

[8:35:31 PM]

balance the need for land for transit, and the city's desire for parkland. So to make it clear that no one wants more area used than is absolutely necessary for transit, since we know that would otherwise be parkland.

>> Mayor Adler: Okay. Does anybody have any objection to the solution with respect to the transit right-of-way and the parkland in that area and the fee? Hearing none, that is included as well. What is the next one?

>> Okay. The next one, mayor, would be hotel issue. Within the first -- on first reading, and second reading hotel is a prohibited use. The applicant does not agree with that condition and is seeking for it to be removed. The staff recommendation was to allow hotels permitted use.

>> Mayor Adler: Okay. What is the recommendation?

>> Staff recommendation was to allow hotel.

>> Mayor Adler: To allow hotel. Okay. Obviously there are amendments

[8:36:32 PM]

on this on the dais. So that one is not agreed at this point. We're going to pull that one and put it aside. What's the next one?

>> The next one relates to the dark skies requirement. The applicant agreed to some provisions relating to dark skies. That were requested by the staff. However, the applicant is now requesting that we -- we add a modification to what is already in the ordinance and that would be to allow for an exception for tree lights, that would be installed subject to city consultation with both Merlin, cutels, bat conservation or the bat conservation international, prior to installation.

>> Mayor Adler: Is the city staff okay with this?

>> Yes.

>> Mayor Adler: Okay. Any objection?

>> I'd have to say that the staff generally speaking was not okay with the tree lights. The addition -- I haven't had a chance to consult with the watershed staff on, is on consultation with the two back

[8:37:32 PM]

rooms.

>> Mayor Adler: So staff is involved. Any objection? Councilmember kitchen.

>> Kitchen: So I'm sorry, Jerry, the staff was not okay with it --

>> I checked with the staff yesterday and the watershed staff, and she may be on webex right now and she couldn't make it okay but the staff was not okay with adding the exception for tree lights to the dark sky angle. Since Liz and I talked the applicant agreed to add the consultation to both bat conservation international, or Merlin's group, relating to bats, to make sure that they're okay and they don't feel that the lights in the trees would affect the bats. They agreed to consult with them from -- well, frankly, the city would consult with them prior to allowing the installation of the lights on the tree.

>> Kitchen: So does the language say consult, or who has to agree?

>> The city would still be the one who decides but the city would consult with those two groups before we allowed the

[8:38:33 PM]

lights. I think that Liz is on the webex if you would like.

>> Kitchen: But you said that Liz is comfortable with that language once you added the consulting?

>> No, Liz didn't know about this, this was within the past hour.

>> Kitchen: So maybe we can ask her.

>> Mayor Adler: And we can, here she is.

>> Good evening. Well, I would say that, you know, bat consulting with experts related to the bat conservation is definitely important. I would also ask that the audubon society to be included in the consultation because dark sky is not just to protect bats. It's to protect multiple different species, including birds which do migrate at night as well.

>> Kitchen: So can we add that language about consulting with audubon?

>> Yes, we can add it to the list of the other two non-profits.

>> Kitchen: And the language, what does it say exactly?

>> The exception for tree light installation that would be allowed subject to the city

[8:39:33 PM]

consultation with Merlin Tuttle bat conservation or bat conservation international and the audubon society.

>> Kitchen: It says which would be allowed. So I'm trying to find the language if the city finds it to be allowed?

>> It's in consultation with those groups. So the way that I interpret that --

>> Kitchen: So subject to consultation doesn't mean approval. And I would just want it to be a little bit clearer, if what we're saying is that the city has the authority to -- after consultation, to say no to that exception. I'm not hearing that in the language.

>> Mayor Adler: Okay, I understand the issue --

>> Kitchen: I'm okay with staff fixing that language.

>> Mayor Adler: I understand that issue and we will pull that aside. What is the next one?

>> The next one is the timing of the Barton springs road construction and I have a rather -- it's a rather lengthy section but I will paraphrase if I may. Basically what it says is that the applicant would be allowed

[8:40:34 PM]

for no more than three temporary cos for buildings until the road is constructed. So this would place a limitation on the project to guarantee that the road is constructed, which the applicant wants to do, and the city wants to happen, and this would be a -- a trigger meg mechanism to make sure that the road gets built.

>> Mayor Adler: Anyone with an objection? That is included. Next one.

>> And the next is the bonus towards the end of the ordinance and there's a slight modification that is already in there. Allow for a 6-1 F.A.R., based upon the total 18.86-acre track of the site and to allow for 200 feet of additional height. And the applicant would, of course, be required to provide on-site affordable housing or fee in lieu of as in

[8:41:34 PM]

requirements with the downtown density program. So it was added in to allow the 6-1 F.A.R. And what this changes is it modifies the height and it modifies the area which the F.A.R. Would be calculated. It also clarifies that certain sections of the -- that were put in there inadvertently would not apply here, such as the gatekeeper requirements, I think that it -- inadvertently stated that it had to be 100% affordable housing and it said that council had to approve every one of them. And we don't think that was the intention of council on second reading so we did cleanup on that.

>> Mayor Adler: Colleague, you recall that I offered this as an amendment and when I got the staff's comments to it, it was redrafted. It's been handed out and it's been posted and it is motion sheet no. 1, v2, on item 84. So I incorporated the staff --

>> Mayor Adler, is there --

[8:42:35 PM]

where are we seeing any of this written? This is kind of challenging to follow.

>> Mayor Adler: So what he just did -- because that one -- I thought that it might need to be written and it was what I had offered several weeks ago. So I have handed it out.

>> Is that no. 2?

>> Mayor Adler: Motion sheet no. 1, v2, to item number 84.

>> To help you out --
>> The other ones, do we have them written somewhere --
>> Mayor Adler: Which one?
>> That he's just been reading.
>> Well, the ones that we have gone through the reflectivity is simply a strike, a removal. Removal. So won't do have language for that. And the public transit portion, honestly, I just have what I had written down, so I don't have that typed out. Um, the hotel-motel is a vote of the council which way they want to go one way or the other. And the bat language, we're

[8:43:36 PM]

working through right here at the dais. So I don't have motion sheets on this.
>> Alter: So, um, you're saying that the 6-1 was already part of the --
>> Yeah --
>> Alter: As in the second reading?
>> Yes, in part 20 of the existing ordinance on page 23 and 24 of the third reading backup that is in your ordinance, it says development of pud may exceed 3.5 million square feet to 6-1 as follows and it has a through F. And if you look at the motion sheet that the mayor is referring to it strikes out B, C, D, and E. And it leaves in a and F. A defines the bonus F.A.R. As the gross that exceeds the allowable F.A.R. Allowed by the amended land-use plan which is in the code. And add language to say the 6-1 of the 18.86 acre parent track

[8:44:38 PM]

and to exceed the height limitations in exhibit D by up to 200 feet.
>> Alter: Is there a building coverage limit?
>> It does not include the building --
>> Alter: So -- so is there another piece?
>> Yes, I'd have to go back and I can't recall, mayor pro tem, what the building coverage permit was in the base pud. But this portion here does not amend that.
>> Alter: Okay, but there is a building coverage?
>> I'd have to go back to see, to be honest, I can't recall.
>> Alter: Well, that would be important because how do we know how many square feet?
>> Hypothetically, and the way to look at it is 6 times 18.6.
>> Alter: That is by acres so how many square -- we don't usually --
>> Are you talking square footage? Yeah, I'd have to do the math.
>> Alter: Can we get the math on that? You know, we're trying to judge this versus the --
>> Sure.

[8:45:39 PM]

>> Alter: Versus the south central waterfront plan, versus the original pud, and now we're adding -- I don't know what that is, 18.6 times 6, how many square feet is that? And you can't tell me if I have a building coverage that I have no idea how many square feet I am adding with. This.
>> It would be different, but before the number that was 4.27 which was the existing pud. But that was based upon the area without the parkland included and this includes the parkland, so I have not had a chance to run that number.

>> Alter: Okay. Can -- does the applicant know the number? Does the applicant know the number of what this would all --

>> [Indiscernible] [Off mic]

>> 4 million square feet.

[8:46:42 PM]

4.8 million.

>> Alter: So 4.8 million. That is -- that is before you get the -- I mean, if you can fit that with the additional 200 feet, you can do 4.8 million?

>> I think that I'd have to check that. Check that math and get back to you.

>> Alter: Okay.

>> Okay.

>> Alter: And what were they doing before this amendment?

>> Well, the existing -- the pud without this bonus area provision, is 3.5 million square feet, about 4.27 F.A.R. This allows --

>> Alter: So the pud as in the second reading ordinance --

>> The pud without the bonus provision that is in the ordinance.

>> Alter: But the original pud --

>> The original request --

>> Alter: I'm asking the original entitlements and we are now saying what is this pud doing, it's going from its original entitlements now to 4.8 million-square-feet, what is that base from where it is today --

[8:47:42 PM]

>> Today allows 600,000 per square feet.

>> Alter: So we're going to 4.8 million and if I wanted to know what it was for the pud as we had it --

>> The original application -- without the bonus area, 3.5 million square feet. And F.A.R. Of 4.27.

>> Alter: So we are potentially adding 1.3 million square footage?

>> To be honest, I would like to check the math that we talk about.

>> Alter: I would appreciate if you checked the math, thank you.

>> Mayor Adler: So, mayor pro tem, my intent of originally bringing this was when we look at downtown development, north of the river, it has the minimum of 8-1 F.A. Reform and you can go even above the F.A.R. To bring in affordable units and that's what we see happening north of the river. Saw it in Rainey street and we saw it in other places. Quite frankly, if we have someone in this location next to this station is willing to put

[8:48:44 PM]

in that much affordable housing in this location, I'm comfortable doing it. It limits it to 6-1 F.A.R. And I would rather it be 8-1 F.A.R. And I would rather 8-1 F.A.R. And plus the affordable housing bonus that goes on top of that downtown. So -- so, I would -- I would like to push this a lot more than what we are seeing here. That said, this limits it to 6-1 F.A.R. Which is less than what it is directly across the river.

>> So if I may mayor pro tem, I have -- so the original F.A.R. Was based upon the total site area, not the site area subtracting the parkland. So that came to 4.27 F.A.R. That I had mentioned earlier and 3.5 million square feet. Changing it from 3.5 million to six results in the 4.9 million square feet of development. And the building coverage that is already built into the pud is

[8:49:47 PM]

55%. It's in one of the exhibits.

>> Mayor Adler: Okay.

>> Alter: You are comfortable with the 4.8 million as estimate of the square footage?

>> It's an amendment that came from the council.

>> Alter: I understand that, I'm just trying -- I didn't mean that you were comfortable -- like -- with this passing, I meant with the calculation?

>> Yes, because the big difference is if the parkland is in that area or not.

>> Alter: But that's not in this calculation and you just said that wasn't in the --

>> So the original calculation and this calculation when you do 4.27 if A.R. Versus 6-1-f.a.r., they both have the tract --

>> Alter: But the original pud with the -- I guess that it was 1.3 -- or --

>> Original pud, original application with 3.5 million, and the 4.27 number -- the 4.27 number is based upon the whole

[8:50:48 PM]

18-acre site as well.

>> Alter: Okay, but the existing pud --

>> The existing pud --

>> Alter: There was no park.

>> No park at all. And it's 600,000-square-feet of development, roughly.

>> Mayor Adler: Okay. Councilmember kitchen.

>> Kitchen: So my question is are we -- are we looking at your amendment now? Because --

>> Mayor Adler: Yes.

>> Kitchen: So your amendment also strikes B, C, D and E, correct?

>> Mayor Adler: Yes.

>> Kitchen: Can you help me to understand the impact and the reasoning behind striking B, C, D and E?

>> If I may, mayor.

>> Mayor Adler: Go ahead.

>> So what the mayor said, when this amendment was made was basically -- I went the greater fair footage and the manner of the downtown density program, and taking portions of the density program and apply this to the pud.

[8:51:49 PM]

The staff does not feel that all of those things make sense. So, for example, because we already have the pud and a whole set of entitlements and requirements, etc., etc., and so, for example, one of them said that the city council approval was needed for the -- for the developer to use the bonus area. And in the downtown density bonus program, that only triggers when you go above the F.A.R. In the downtown plan, and there is no downtown plan here, and we already know the number, the number is 6-1. So it's administrative approval and it could provide on-site housing and it could go up to 6-1 and we did not need a need for council approval because in downtown it's only when you go above the number in the plan that you need to do it. And the second is that the only bonus square footage could be affordable housing which we don't think that the mayor intended when he made his motion. And another part refers to -- we

[8:52:49 PM]

call the gatekeeper requirements. So the best way to look is that it envisions a project that is being built by scratch. And anything above 3.5 million square feet being in the later phase of the project and we already have things in the exhibit that we have laid out, for example, the urban street scape. So great streets to participate and this pud has its own streetscape plan laid identity in the -- laid out in the exhibits.

>> Kitchen: Let's talk more specifically about the affordability requirements. I am wanting to understand the relationship between this section and the affordability requirements. Because -- because if -- let me just ask this question -- I'm not as familiar with these parts of the downtown density bonus, but it appears to me that we're striking some requirements related to affordable housing?

>> No. So there is still in the ordinance an F that is not stricken with this amendment.

>> Kitchen: But that F doesn't

[8:53:50 PM]

tell us -- that F is just talking about where you can do it, it doesn't say how much.

>> It says the F says that the -- that the affordable housing -- let's see -- affordable housing community benefit, off-site of the property and located within a one and a half mile radius. So that talks about, um, the -- where it can go.

>> Kitchen: Right.

>> Then let me find the portion --

>> Kitchen: But the level of it looks to me like we're striking, unless -- what I'm trying to --

>> Or through a fee in lieu, so it says -- basically they're doing the downtown density bonus to get this extra area. They can provide that within a mile and a half radius. Or it may be on the property or off-site within a mile and a half radius or a fee in lieu of that would match the dollar amount required by the downtown density, and the fee in lieu of

[8:54:54 PM]

pursuant to e1a3, and that is the downtown density bonus in lieu of.

>> Kitchen: Okay, so the -- but the fee in lieu -- okay -- so maybe I'm reading that sentence as just the fee in lieu payment applies to section 25-2-586, right?

>> Yeah, it's to make sure that the fee stays in sync with the downtown density bonus fee.

>> Kitchen: What if it's done on site, what is the requirement if it's done on site? Because it looks to me like we're striking the section about the -- if you did it on site. My -- my -- let me just ask my larger question really. My bigger question is -- so this is -- this is -- this is a bonus amount, right? So this is authorizing the 6-1 and the up to 200 feet. So, um, if -- how does that relate to the amount that we

[8:55:54 PM]

have earlier in the document for affordable housing? Because what we've said is that 10% or 23 or whatever, there's three different options earlier. Wouldn't we be wanting more if -- if this section is taken advantage of?

>> Mayor Adler: Hang on a second. Go ahead.

>> Tovo: Just to add to that, I think that you're asking excellent questions because there is a fee in lieu mentioned and I see another amendment that the mayor has brought -- I don't know if you still intend to do this, but it says that it confirms that the intent is to allow the fee in lieu to satisfy the affordable

housing. So if I'm understanding your motion sheet no. 2, where the mayor's sheet is going to strike out the options on site, leaving the only option the fee in lieu number that is specified, which is \$23 million, which is based on the other.

>> Kitchen: Yeah.

>> Tovo: And not this additional

[8:56:55 PM]

density.

>> Kitchen: Yeah, from my perspective, you know, I don't feel --

>> Mayor Adler: Those are two separate things.

>> Kitchen: Right, right. But my -- what my question is -- with the other amount, the -- when we get to that, that applies to -- if we don't do this bonus area, but if you do bonus area, how much would the fee in lieu add on? That is really what my question is. I don't see it --

>> Tovo: How much would they have to do on site?

>> Kitchen: How much in addition to do on site or fee in lieu? I don't see that amount here. Am I missing something?

>> Mayor Adler: I am trying to follow along with -- what the staff drafted was the same kind of density bonus that we have downtown.

>> Yes, mayor --

>> Mayor Adler: Is that section B?

>> We're working on it right now. What we clearly intend to do and maybe we'll look back and instead of trying to refer to other things with that regard, we want to refer to other things with the fee, so it indexes as

[8:57:56 PM]

y'all raise it. But, um, simply put, there would be 10% on-site units just as the downtown density bonus requires today.

>> Kitchen: Okay, I would feel more comfortable if that was written into this section.

>> We're working on that right now to either add it directly --

>> Mayor Adler: So let's pull the bonus section here and we'll come back to that.

>> Okay.

>> Mayor Adler: Okay? Clearly what we're trying to do is to track the same kind of requirement that would happen if it was downtown, even though we're not offering this property anywhere near the height or bonus --

>> Right. And knowing that there's certain parts of the mechanics of the downtown density bonus that don't work here because it is

>> Mayor Adler: The design functions we don't want to do -- the south central water front will do its own design plan.

>> We don't have a map, et

[8:58:58 PM]

cetera.

>> Mayor Adler: I think it's a good comment from our colleagues, is let's make sure we're getting the bonus requirement. We know what it is.

>> Yeah. I think we have the fee in lieu -- I think we need to make sure it has the ten per cent requirement in there.

>> Mayor Adler: Right. Same as downtown bonus. Let's pull that one.

>> Next would be the main -- I call it the main affordable housing requirement of the pud, not the bonus area but the?

>> Yeah. We have amendments about that.

>> Huh.

>> There's amendments about that so we'll come back to that one then.

>> Mayor Adler: That's a separate question.

>> Do you want to do the next one on that one? It's yours, right?

>> Mayor Adler: All I was saying is I thought the votes were to get the money -- the 23 million dollars and let staff put it toward the project on the transit corridor that was a mile or so.

>> I support that, mayor.

[8:59:59 PM]

>> Mayor Adler: That's the language. Let's see if that's the issue here

>> Tovo: Yeah. I'm super excited about your project and about the redevelopment of Mary Lee and the fact you're willing to maintain the number of units -- maintain the number of units but I'm going to go with what staff recommended, which is to make sure we get the units in the south central water front. We had a great opportunity to get those at 422. Those are going to be ready immediately. That's an option we've had multiple, multiple people talk about. We say all the time we want affordable housing in all parts of town and we set a goal to have it in the south central. We have an opportunity to do that. That is what the pud ordinance requires. I'm going to stick with that and I can't support -- I really can't support having it as an alternative because the problem with all of our density

[9:00:59 PM]

programs that allow the alternative of fee in lieu, we always get the fee in lieu. We never get the units. I can't support your amendment.

>> Mayor Adler: I'll pull the affordability one. The reason I brought it is because I'm trying to get in this time of not having enough places where people should be, we should be maximizing the number of places people have. This alternate location is a great location. It's on the rapid transit, on a great location and we would have significantly number greater of families given a place they could be. All right. I'm going to give a brief explanation, just the way we did and we're going to the next item. Ke kind of -- we're not going to divide it now. Council member kitchen and mayor pro tem.

>> Kitchen: I support that because it's close to south central. It is permanent.

[9:02:00 PM]

I can't support 422 because it's only for 40 years. It's not permanent, and we get much more from my perspective -- we get much more affordable housing bang for our buck, so to speak, out of directing the 23 million to a project.

>> Mayor Adler: Mayor pro tem?

>> Alter: Before we consider that, I don't know if now is the appropriate time but I would like to hear from our housing staff now that we have passed the bond and, you know, we have a --

>> Mayor Adler: We'll do that when -- we're not debating it here.

>> Alter: We would have a lot more affordable housing in the areas where we want and I think that might be a better option.
>> Mayor Adler: Okay. Anyone want to say something fast before we go on? Council member Renteria.
>> Renteria: I believe if we move it to south Lamar, still on a transit zone.

[9:03:02 PM]

And, you know, I personally don't have any problem using that money on Lamar and not having a few units that we're going to get right downtown. It's -- we have a problem with housing, and if we can get a lot more housing, especially deeply affordable housing -- I mean, it's going to be passed for 40 years, I would take that in a minute.

>> Mayor Adler: Okay. Council member pool.
>> Pool: I'm in the same place council member Renteria is. I would like to see the money go to foundation communities and talk about how the money gets triggered, the payment of it.
>> Mayor Adler: Council member Ellis?
>> Ellis: I'm in agreement with council members pool, Renteria on it.
>> Mayor Adler: Anybody else want to say anything?

[9:04:03 PM]

We'll come back to that later. What's the next one.
>> We'll talk about the trigger when we come back to it. Next was council member tovo's amendment relating to public funding on this project.
>> Mayor Adler: Okay. With this one, council member tovo, you weren't here when this was being considered so we passed it without understanding what it was, anticipating this moment where we could turn to you and say tell us what this is
>> Tovo: This is making it clear there's going to be financial support for items in this pud that are requirements, that they are proposing as superiority elements.
>> Mayor Adler: Okay. Does that make sense? Anything that you were complaining -- claiming is a superiority item -- doing to

[9:05:05 PM]

provide a community benefit is not something you're going to ask the public to finance.
>> If it's limited to that, that's fine.
>> Mayor Adler: Okay. Is there a word change we need to do to make that clear? We're talking about the language now in 21. Is that -- maybe -- take a look at the language. See if that language does that.
>> Mayor? I know you can't see me, but may I please --
>> Mayor Adler: Yeah.
>> Harper-madison: Thank you. Council member harper-madison here. I know you weren't making reference to this particular word in this way, but I would offer, if we are taking the opportunity to consider and/or reconsider language, I would like very much to consider the use of the word "Superiority" as -- while I can absolutely

[9:06:09 PM]

appreciate the intent I just want to be real careful with last-minute word changes that have long-term effects F you understand what I'm saying.

>> I can address that.

>> Mayor Adler: Council member tovo

>> Tovo: My amendment does use the word "Superiority," though that is how the pud describes things. It is -- my amendment is also intended to say there's -- the elements of meeting code.

>> Mayor Adler: We're talking about the language.

>> Harper-madison: I appreciate the clarification.

>> Mayor Adler: Now that you understand what it is council member tovo is suggesting, is there a language change to 21 that you think is necessary to

[9:07:09 PM]

clarify that?

>> Tovo: Mayor, I need to correct myself, as my amendment was translated into code language -- I don't think this is was in my original but I understand why it is. The part harper-madison talks about -- superiority -- that is the language in the planned unit development. It reads council finds as an element of superiority, the agreement of the landowner not to use public funds to fund. . . In the ordinance as deemed contributions by the landowner as well as the agreement by the landowner not to use funds for infrastructure required by city code at the time of site plan approval. We're saying this project cannot meet its code requirements or create and construct the elements that it's offered as evidence of

[9:08:13 PM]

superiority. I understand -- I'm hearing your concern.

>> Harper-madison: We've made so many efforts -- so much of the language is changing that I wonder if this is one of those things where we are abltively in a reconstructive -- deconstructive reinstructive period as a municipal body. If for no other reason, council member tovo, you are our matriarch here in a lot of ways. You've been here the longest. If we're going to be this conscientious about how we say and do things, I think that made me feel -- while I can

[9:09:15 PM]

appreciate that sometimes words like supremacy make me feel a way because of what I look like and where I live and who I am and who I represent and who's not represented, but I think that visceral -- it may warrant additional consideration.

>> Tovo: Thanks. I think we'll have to ask law how to handle that. I don't believe it used that term but I think the staff are using that term because that is the unfortunate language in the planned unit development ordinance. I think you're right -- I appreciate and understand and think that our planned unit development might need a language rewrite and would support that in the -- in the

[9:10:15 PM]

moment I'm not sure how to handle this section.

>> Mayor Adler: Probably need to change the use of the word in the pud ordinance

>> Tovo: I also want to say I have been here a long time but matriarch makes me sound super old. I understand what you're saying.

>> We don't understand this whole thing. It doesn't make any sense to us. If I could ask council member tovo a couple of questions, it might clarify it.

>> Mayor Adler: Okay.

>> Do you intend for this to mean that tirz funding could not be used for Barton springs extension?
>> Tovo: We've had multiple conversations about this in the past. I think the way we asked our staff to handle it was to give a list of what the ordinance is including -- what the ordinance

[9:11:16 PM]

has in here now that is part of your meeting code requirements that is being paid for or proposed to be paid for out of public funding.

>> Then I don't -- I don't understand this whole section then. Because what we're going to be asking for is tirz funding for Barton springs road and the south congress intersection and improvements, utilities and related infrastructure goes with that. Depending on the prioritization of parks, tirz funding for park, if the intent of this is to eliminate the ability to do that, we cannot accept this portion. If that is not your intent, then we just need to get the words right.

>> Kitchen: Can I ask a question?

>> Mayor Adler: Go ahead.

>> Kitchen: The way I

[9:12:17 PM]

understood the term -- community benefits. I don't know if that's the right term. The pud requires that in order to be eligible for the pud you have to do extra. You know, I'll call that community benefits.

>> Uh-huh.

>> Kitchen: I think what council member tovo was saying is that what it's identified that you're doing as extra has to remain that. In other words shths it only remains that if you pay for it.

>> That's correct. We're in agreement on that.

>> Kitchen: Okay. So that's what I think she's trying to say.

>> Mayor Adler: There are two components. First, don't use public funds for the things you aer claiming --

>> Kitchen: That's right.

>> Mayor Adler: They've agreed to that. The second part is don't use public funds on things required by the ordinance. I think that's the one we're having trouble with.

>> Kitchen: Well, if it's required -- maybe I'm not understanding. If it's required by the ordinance -- I mean, to my mind, you have a base

[9:13:17 PM]

requirement and then the added for the pud. So all of those things you would need to be paying for. Is that what you're saying?

>> Tovo: If it's written in the ordinance it should be clear they're paying for it unless it's described differently in the parkland section.

>> Kitchen: It wouldn't be written in here if it wasn't part of the extra benefits, right?

>> Mayor Adler: Right. What I just don't know is the changes up on Barton springs road, which serves as a regional function. Is that something required by the ordinance? Clearly it was the intent of the tirz to pay for that.

>> Kitchen: It's written in --

>> Mayor Adler: It's written in the tirz but are we building in ambiguity by putting in something that might be arguably required by the code when it's clearly no one's intent that that be paid other than with the tirz?

[9:14:18 PM]

>> Kitchen: Yeah. Maybe that needs clarifying language.

>> Mayor Adler: I think that's the question.

>> Kitchen: If I'm reading correctly that section, it clearly states that the -- that you all will construct, but then you'll be paid for that, basically. I don't think that that's the intent to --

>> Mayor Adler: I think we may be in agreement -- we need words saying you're not going to be paid for superiority. It's going to say you're not going to pay for anything the tizr is intended to pay for and it should say all the things required for by the code you need to pay for.

>> That's correct.

>> Mayor Adler: Maybe it's listing it those three ways. Anything that you claim superiority for, no public funds. Right? That's -- you are allowed to use tizr for those things tizr is intended to pay for. And third, you're not going to

[9:15:20 PM]

get public funds for things that are otherwise required under the code.

>> That's -- I'm not sure --

>> Mayor Adler: I'm not sure those are the right words but that is the intent we're all agreeing with.

>> Right.

>> Mayor Adler: The concern is that there are things we know that we are anticipating the tizr to pay for and no one is saying you can't use the tizr for things the tizr was intended to pay for. And what you're trying to protect against is creating an ambiguity for someone to say you know the thing -- the tizr isn't?

>> That's my concern

>> Tovo: Language that says except those items identified

[9:16:21 PM]

to be funded by --

>> Mayor Adler: By the tizr. I think that's a good idea. That would do that for me.

>> Yeah. That would work.

>> Mayor Adler: We're going to pull this one aside and you need to pull out your pens and help draft the language and let's see if we can do that. I think everyone is intending the same thing. Let's come up with the language that makes that happen. What's the next thing, Jerry.

>> Council member kitchen had a proposed amendment. And to summarize what it would be to clarify further -- to clarify further there will be no contact between a city cip project down to the hike and bike trail and the development of this project.

>> Mayor Adler: Anybody have any problems with that one?

[9:17:21 PM]

Are you okay with that.

>> Yes and yes.

>> Mayor Adler: What.

>> Yes and yes.

>> Mayor Adler: Everybody is okay with that language. Anybody okay with that language in hearing none, the language is included. Anybody else have any other language that is -- other than the five outstanding issues we have? Council member pool?

>> Pool: I'm going to -- I'm just going to have some direction on the parks maintenance and I think there's been conversations. So maybe -- I don't know if you want to take that up now.

>> Mayor Adler: Let's air it to see if there's an issue so we know if it's on our needs-work list. Let's see if there's any issue with your instruction.

>> Pool: If Mr. Purt and Mr. Subtle could come to the podium.

[9:18:22 PM]

Thanks, gentleman. I understand the applicant met with the downtown Austin alliance and the trail conservancy to talk about parks maintenance, which is an issue here with the great lawn -- how to come up with a long-term, sustainable plan. I understand and am encouraged to hear how well those discussions are going and I'd like to make sure we hear from at least the applicant and the daa representative and thank you for staying so late. To confirm that a parks maintenance agreement will be forthcoming. Gentlemen.

>> This last week the parks board met and passed a -- I'm not sure what it was but whatever they passed, they don't want us, the landowner, maintaining the park. So -- and we've never said we wanted to maintain the park, so it's our understand thatting the maintenance and the funding

[9:19:25 PM]

of the maintenance has to be done in agreement with a third party and the daa and trail conservancy have stepped up to say they'll step in that role and we're good with that.

>> I think many of you know we operate parks. We manage program and maintain republic square. We also have an agreement with water loo green way conservancy. We provide services to water loo park. We're going to continue to provide services along the greenway. I think some of the constraints that we have to consider on this is that we do want to do this in partnership with the trail foundation. Our limitations around pid revenue would absolutely qualify to help support the maintenance on this park as we use it at republic square and

[9:20:26 PM]

water loo park. Our constraint is that -- you know, we have to go through an authorization, and we have a five-year contract W the city. So so the revenue does not last forever, right? So we have to continue to go through reauthorization. I just want to make that clear. We are in our 30th year. We just renewed the pid for another 30 years. There's a lot we need to work out on the agreement but we want to participate along the trail foundation and pard in an agreement.

>> Pool: Thank you for coming and talking about that. It's been on my mind for a while. I know we changed the boundaries for the downtown pid that funds into daa to include this property, and there's is significant amount of funding that will be coming spinning off?

>> One clarification on the boundary. This site, 305 south congress,

[9:21:27 PM]

has always been inside the pid since the inception in 1994. So, you know, this recent reauthorization -- includes the site but the site has always been inside --

>> Pool: We expanded beyond it, right, to be around it.

>> Couple parcels, yes.

>> Pool: Point being, though, that the funds that are now going to spin off this property didn't exist before these changes, or at least not the level.

>> Yes. Increment -- this development will create a lot more pid revenue, and so long as the property is open to the public, it's open space, the pid revenues would be used to help support the maintenance. Yes.

>> Pool: That's, I think, what we were wanting to hear. So I appreciate the work that daa does.

>> Thank you.

>> Pool: I appreciate the fact that this is going to be expanded the include really

[9:22:29 PM]

important land that's going to be turned into real public access.

>> Uh-huh.

>> Pool: Mayor, I think this is for me sufficient to have made this acknowledgment. And I would I guess at some point just like to get some reporting back with our parks and rec department folks.

>> Yeah. I would envision this taking the path that, for example, we have with republic square. So we have a contract with pard to manage republic square. I think we can envision that same type of agreement would result.

>> Pool: That's great and the trail conservancy is poised to take this on. The city of Austin has a seat on the board at daa so we have some oversight and connections and a long-going relationship with the daa.

>> Yeah.

>> Pool: I do think if we can get this settled officially and

[9:23:31 PM]

formally we won't have to worry about reauthorizations and entities going away. But if that should happen that would be addressed because clearly it would be a gap in the maintenance of that property and future councils at the city would, I'm sure -- and folks like you -- would make sure that that was all covered.

>> Yeah. We obviously from the downtown Austin alliance perspective, we want this green space to be the highest quality green space that we can envision.

>> Pool: And we acknowledge that the parks and rec department would not be able to maintain it at the highest level we want to be.

>> I think the partnership is the right direction to go.

>> Pool: Thank you so much for that. I really like the possibilities here, mayor. That's the point that I wanted to make sure was into the record.

[9:24:31 PM]

I appreciate them staying so late.

>> Mayor Adler: Is our parks staff okay with us -- yes? Okay. All right. All right.

>> Any other questions?

>> Mayor Adler: Hang on.

>> Alter: I don't know if my question is for you, but it's on parks.

>> Mayor Adler: Any other questions? Thank you very much and for that commitment. Mayor pro tem.

>> Alter: I wanted to ask the parks department, as far as I can tell is written, the pud says they'll pay \$100 per dwelling unit over the fee required as an additional park development fee, and the park development fee -- in lieu of parkland shall be used to build parkland amenities, but we were originally told they were going to spend \$9 million on parks

[9:25:32 PM]

and under our current regulations were they to get their site plan this year, anyway, they would be paying less than that by -- I don't know -- was that -- maybe you have the numbers that you can share with us. Still trying to figure out how we make sure we're getting an investment in our parks.

>> Kimberly mckneely serving as director for parks and recreation. \$9 million was the calculation of the estimated fees for the fy-2023 budget. However, council made the decision to only raise those fees by 10 per cent, so the calculation, if the site plan were to -- if we were to charge those fees in January, the actual -- the estimated fee is 6.9 million, but that's of course dependent upon the number of units and that 6.9 million is inclusive of the

[9:26:33 PM]

hundred dollars per unit. But all of this is -- all of those figures are estimates because it's dependent upon the number of units that will be built. So the calculation -- there's a formula, as you know, that's part of the parkland dedication procedures that dictates how we would calculate that. And at whatever particular point in time that site plan is ready for review and the parkland dedication fees are ready to be charged.

>> Alter: Okay.

>> Does that make sense?

>> Alter: Yes. It makes sense as what's the reality of what's in there now, but I would welcome -- mayor, if you have a suggestion, you said we should get the 9 million -- about how we make sure we'll really getting at least that much. At this point I'm not guessing the fee will go up so much that it will be more than that. It could go down. It could change depending on the timing of when they do this

[9:27:35 PM]

and we could end up with less than 6.9 depending --

>> Mayor Adler: How did we end up doing this? They agreed to pay the 9 and then as a council we decided we wanted to put 2 million or so of the 9 toward the improved or enhanced access way that was in council member kitchen's thing. So we got the 9. It was two components. One component was the pure part component and the other was the entrance to the park component. But it was still the 9. We got the 9. It was divided into those two sections. Sorry.

>> We had -- that was your interpretation of what we did. I still don't believe we have the 9 that we were promised. There's the benefits that I -- it seems to me you're not going to be able to do anywhere as much as what you thought you

[9:28:35 PM]

could do before.

>> Something council might want to consider is that as we're going through this process and we have this development that's happening in phases and we have the phases that will be submitted as site plans at different points in time as this project goes -- expand over or extends over a certain amount of time,

that those fees will be assessed at that particular point in time, right? You don't have to dedicate parkland and we're not collecting fees until certain parpts in the process, so I feel like we're talking about numbers here that are all estimates and until we actually know the number of units and when those actual site plans are put forward and the formula is applied, that will dictate the amount of money. So we do know -- we have the assurances because our -- the applicant has said they would build that adjacent entrance, adjacent to the congress bridge to make sure you have access to

[9:29:37 PM]

parkland and we're estimating that at 2.1 million dollars. If we talked about just today, right, we're talking about 6.9. To the point the mayor was making, we're at the 9 million that was originally discussed but that could plucks wait depending -- fluctuate depending on the number of units. I want to talk about that and whenever the site plans are submitted for approval, that's when we start to apply the fee. It's hard to talk about. That's why we were saying in the ordinance we have the hundred dollars over the required amount, which we don't know what that fee assessment will be until the site plans and number of units are submitted.

>> Alter: But were we to revise the parkland dedication in a way that reduces the fee, which I know there are people who want us to do that -- not my preference -- I'm skrned where it -- concerned where it leaves the pud.

[9:30:38 PM]

That could go away because of the way it's written.

>> Mayor Adler: Could the 6-9 go away?

>> Alter: Yeah, if you did what you wanted with the parkland dedication fee it would go that way. If we had just not increased it, it would have gone down further than the 6.9. If the commercial --

>> Mayor Adler: Would that have been true of the 9 million too?

>> Alter: It probably would have been true of the 9 million but when we talked to the community about the benefits we're getting, part of the responsibility is making sure we secure the benefits. I mean, technically what you're saying is true, but I think when we tell the community that we're giving them, you know, 2.9 million extra square footage before the bonus but

[9:31:39 PM]

they can just pay whatever -- you know, when we don't have a guarantee they're going to deliver the park amenities in this area where for many people that's what they're paying most attention to, I think that's risky. I don't know it's their intention not to pay it but it's our responsibility to make sure we're doing our due diligence to make sure we're getting what the community is expecting --

>> Mayor Adler: Is that a payment timing issue?

>> Alter: , I mean -- you know, there's an uncertainty over what happens with the parkland dedication fee. It's a minimum of this or that. I mean, you can -- I mean, if you want to take the 6.9 million you can say, you know, by the time they're done with the end of the phasing they will have paid at least this much or whatever is equivalent to the fees at the time they're doing the site plan. If they haven't paid that much,

[9:32:40 PM]

they have -- there ought to be a way to write that where you can still get the upside but you don't have a risk of a down side.

>> Mayor Adler: What does the agreement do with respect to the timing of the 9 million dollars. Wasn't that supposed to pay parks at different footprints were done. >>.

>> I didn't hear your question, mayor. I'm sorry.

>> Alter: They're dedicating the parks.

>> Mayor Adler: They're dedicating the parks? Should there be something that has the timing of the payments.

>> Scott Grantham will explain the timing of the fees.

>> As written in the latest drafting of the pud, the park would come in phases, three distinct phases, one with each -- and I believe that's in your back-up of phase one, two, three. It would be timed to the northern-most building in each site plan, in each phase.

[9:33:42 PM]

Sorry.

>> Mayor Adler: What about the payment of the fee.

>> The payment of the fees would be with each site plan. Now, there are probably -- I haven't asked the applicant directly, but it -- it's -- you know, looking at it, I would say maybe a dozen site plans. Fees would be coming in with each site plan.

>> Alter: But they wouldn't really be coming in because they would be building a park.

>> Fees could come in with each site plan. They would get about -- they're going to get about 250 units worth of credit for the parkland, but once those 250 units are built, it's all fees.

>> Alter: Right. But I thought that the pud was set up that they were going to apply the fees to park amenities that they are building themselves.

>> Correct. The fees are actually funneled into park improvements. Now, if it's -- if they are

[9:34:43 PM]

done as -- really those fees would be held until such a time as those improvements were made. They would post fiscal, is how it would work. They would post fiscal for those improvements.

>> Alter: Okay. I still think there ought to be a way to write a clause that if by the end of your first site plan you haven't paid whatever we calculation this parkland dedication fee is at this moment -- that you have to pay that, and if it's higher based on the fees that we have, you pay the higher amount, which is what they should be doing now but it prevents us if the parkland dedication fee were to go down from losing the benefits to this parkland benefit in our community.

>> Mayor Adler: So the payment happens as an operation of law. Every time they want to build out -- it's like they're going

[9:35:44 PM]

to have to paying dollars or posting fiscal, which equates --

>> Alter: Or they could have built a park if the first part has a park that's bigger. They could count the park development improvements from the prior phase. They can pay them in advance if they're making park improvements -- I don't have the phasing knowledge, but that also can happen.

>> Mayor Adler: It could happen sooner but it can't happen any later.

>> Alter: Right.

>> Mayor Adler: Isn't that the guarantee? Before they can move forward and build on the property, with each site plan --

>> Alter: The fees for the parkland dedication are based on the site plan timing and if over time those fees reduce, which I'm hoping they won't reduce, then they have to -- then they would be paying less.

>> Mayor Adler: And if the fees go up, I guess they pay more.

>> Alter: Right.

>> Mayor Adler: I'm not sure what we're solving for.

[9:36:44 PM]

>> Kitchen: What you are solving for is you don't have a definite dollar amount you're getting. As you said, you could -- if you peg it to fees, it could go up or it could go down, so you don't have a floor. In other words, you don't have a dollar amount that's a floor in here of the minimum amount of parkland fees that will go towards this project.

>> Mayor Adler: I guess the question is would you want to agree to a floor but then you also get a cap. So if fees go up in the community you don't have to pay the extra amount over time.

>> Alter: That's not what we're agreeing to. That's not what we're saying. They have to pay the floor because they can go lobby at the legislature outside the pud but we can't change the pud without their agreement without a supermajority. But they can go lobby at the legislature to change the rule and get out of their requirements.

>> Pool: Mayor? I'm puzzled by this because on page 10 we clearly state the

[9:37:48 PM]

landowner will pay 100 per cent of the costs for the following improvements below and as identified and defined in exhibit G and it's an iterative list -- all plaza areas throughout the project including those with parkland easement, great steps, amenitized, underground cistern and environmental items, so forth and so on. Plantings and split rail fences. Then we go on further and talk about the timing of the payments, but, I mean, it's pretty explicit.

>> Alter: You said you created a public parks prioritization -- maybe there's nothing left for that.

>> Pool: That's not what you were talking about. You were saying -- I don't understand this --

>> Alter: I'm saying --

>> Mayor Adler: So the question

[9:38:49 PM]

is this --

>> Alter: They have certain amount of money and if we change that amount of money -- I appreciate the guardrail you're pointing to and acknowledge that but I don't have a way of knowing from the numbers we've received to know that all of those hundred per cent responsibilities will exceed the amount that there is.

>> Mayor Adler: Is this the

-- issue -- if the legislature says you don't have to pay park fees anymore, we still --

>> Pool: They're still committed by the ordinance.

>> Mayor Adler: The community is anticipated to get and it can't be tied. I understand the concern, if whatever reason the legislature says you don't have to pay fees anymore. We still want you to deliver the park improvements that -- do you understand the issue?

[9:39:50 PM]

Is that the issue? I think.

>> Alter: Yeah. We don't know when their site plan --

>> Mayor Adler: How do we solve for that.

>> Alter: If we --

>> Mayor Adler: We got that. How do you solve for that. Legislature says you don't have to pay the park fee. But -- how do we make sure you still build the improvements.

>> Well, mayor, I don't know how to answer that. What if the legislature says we're going to make this the district of Travis? I can't anticipate what the legislature is going to do.

>> Mayor Adler: No one is asking you to do that. We want to make sure there's 6. -- Want to make sure there's 6.9 to build the things the community thinks --

[9:40:51 PM]

>> Tovo: Can it say 7 and add another line that says in no instance should the total amount contributed be less than the 6.9 million discussed at the time of council approval? I mean, would that be -- city attorney, would that be a line that we could add to this clause on page 12?

>> Tovo: I didn't mean to say that would fix your issue. It addresses --

>> Alter: It addresses

>> Tovo: It is a concern.

>> Erika Lopez, law department. So your amendment would be to require the applicant to dedicate a floor of 6.9 million?

>> Tovo: Mayor pro tem alter --

>> Alter: Yeah

>> Tovo: That is the minimum. In number 7.

[9:41:51 PM]

>> A minimum. That would be an amendment to part 10, parks and recreation.

>> Mayor Adler: What would be --

>> Pool: Probably in E at the bottom of page 10.

>> As a community amenity, part seven.

>> [Microphone not turned on].

>> Pool: That's the additional \$100 per dwelling unit that's beyond the 6.9, and the hundred per cent piece -- I mean, I'm not going to argue -- I guess I am arguing. Where the prescriptive language of 6.9 million would occur, but it seems reasonable to look first at page 10, subsection E -- the landowner will pay 100 per cent of the cost for the

[9:42:51 PM]

following improvements listed below and put in in no case no less than 6.9 million and as -- the rest of it goes on to list the expected amenities.

>> So it was my understanding that subsection E was not related to the parkland development fee. So is my understand the ordinance is current -- plus subsection seven which is the hundred dollar additional unit. And E was separate from that. Are you asking --

>> Pool: The other place is on page 9, part 10-a. Landowner shall pay an additional. If you want it to be at the hundred dollar, perhaps at the beginning of the section that explicates the parks and recreation expectation and --

[9:43:52 PM]

I'm looking at what was in back up.

>> Kitchen: You could put it in 10-a.

>> Pool: Yeah. 10-a. That's line 28 on page 9.

>> Kitchen: Yeah.

>> Alter: Landowner shall pay additional \$100.... No -- that is not less than 6.9. It would be the next line.

[Reading rapidly] And amount to a minimum of 6.9 -- whatever the right 6.9 million number is?

>> Pool: In no instance less than.

>> The parkland development fee is based on how many units they build.

>> Alter: The parkland fee is going to be a function of how many units they build as well because it's the fee in lieu

[9:44:52 PM]

part that goes with the land dedication. So they're both based on units.

>> Uh-huh.

>> Alter: Both of them together are going to determine the 6.9 million number. So this is a -- you know, the total of those two together, unless I'm wrong on that. Am I correct? Yeah. So it's the total of those two numbers together that --

>> Pool: I didn't think that was right. I thought the hundred dollars per unit was over and above what the parkland dedication fee had had --

>> Alter: It depends on how they calculated --

>> Pool: This is a new way to calculate it that I'm not privy to and I thought we had addressed this issue in second reading.

>> The hundred dollars was in addition.

>> Pool: It's addition.

>> It would be a hundred dollars irrespective of any formula change. So it's based on the unit

[9:45:53 PM]

count. The 6.9 is a combination of the fee in lieu, plus the parkland development fee and it's the --

>> Alter: I'm not sure whether they calculated the 6.9?

>> Yes, it includes it.

>> Alter: I think there's a way to do and I don't think we're going to figure it out tonight. I think it's clear what we're trying to do.

>> I have a question.

>> Alter: Sure.

>> Is it supposed to function as a floor.

>> Alter: It's supposed to function as a floor.

>> When would that 6.9 million dollars be required?

>> Alter: Last site plan if they haven't paid 6.9 worth. They have to pay the balance.

>> They would be paying the parkland development fee up to 6.9. If they haven't built 6.9 million dollars worth of units, then it would be -- they would have to pay the 6.9 million at the end?

[9:46:53 PM]

>> Alter: I don't care how many units they build.

>> Okay.

>> Alter: They have to pay at least 6.9 million minimum by the time they do the last site plan and I don't know if the parks have any addition to that.

>> Just one option is that they could post fiscal for 6.9 million at a certain point.

>> Alter: Maybe legal can come back with the appropriate language here. I think the idea is --

>> Mayor Adler: Let's see if we can agree to intent. I need to hear from the applicant. Do we have agreement as to the intent.

>> The city is entitled to city parkland kwees based on a formula of the impact you're causing to the system. The landowners are not asked to

[9:47:54 PM]

give free park land. They're -- parkland. They're not asked to do extra park fees, though we did. What seems to be being talked about is the city wants zero risk but all the upside and that's kind of pervasive in the whole pud. The city wants to take no risk but wants all the upside. We're not interested in saying that -- what we're saying is we'll comply and you have the power to raise your park fees, which you have done year after year and we'll comply with your park fee ordinance. But what we're not willing to do is commit to a hundred dollars extra plus a floor and no ceiling.

>> Alter: I wasn't saying a hundred dollars plus -- above the 6.9. My understanding is the -- if you're paying your park

[9:48:55 PM]

development fee and paying your fee in lieu and get up to 6.9 you'll have met the requirement for the minimum.

>> Is the hundred dollars in the 6.9? It is? Okay.

>> Alter: It's in the 6.9 for that. If you build the bonus area, I mean, this also means if you build the bonus area you're going to have to pay parkland dedication on those and you have to pay those based on what the fees are and you'll be required to pay a hundred dollars above that but once you've gone above the 6.9, you know, you're paying for the additional unit. You're paying it based on -- your floor won't matter anymore. If you do units, and the calculation is above that, then you will have to pay the impact.

>> Mayor Adler: Part of it is risk assessment. It's the risk that there's a world in which you would pay less than the 6.9 for the hundred dollar -- for all the

[9:49:57 PM]

units in your base plan, hundred dollars for anything in the bonus -- the parkland fee and the base plan. What's the risk that's -- all of that is going to be less than 6-9? Is that sufficient risk to -- that would make it so you couldn't say we'll do that? It's going to be that or something probably north of that.

>> Alter: If you're going to do another 200 feet of building you're going to be well above this at some level. This is just a protection.

>> What you're worried about is if we only build 600 units and call it a day and you don't get your 6.9?

>> Alter: No. I'm worried if they tell us we can't have a parkland dedication fee you don't have to pay any fees for our parks and we're left with a residential area that has no

[9:50:57 PM]

decent parks.

>> Mayor Adler: And the question here since you pro formed it at 9 and we're not exceeding that -- it just doesn't seem like a significant risk and it's inside the parameters of the pro Forma.

>> You don't want us to be able to take advantage of a windfall if if --

>> Mayor Adler: Correct.

>> That's what it is.

>> Mayor Adler: Correct.

>> Alter: We don't want the legislature to do that and we're going to fight like hell against that, but -- I don't want you to go fight at the legislature to do that because you get to save 7 million dollars.

>> Mayor Adler: We're trying to avoid the windfall.

>> Let me talk to my client.

>> Alter: That's the risk -- I'm assuming you'll do another 200 feet on the bonus that you'll do a lot more park units --

>> Mayor Adler: I'm seeing six issues here outstanding, Jerry,

[9:51:58 PM]

with respect to this. The first one is hotel. Is it prohibited, conditional, or is it allowed? That's a conversation we need to have. The second one, tree lights -- I think you were coming up with language that brought in those two groups.

>> I think I have that language, mayor, whenever you're ready.

>> Mayor Adler: Give us the language.

>> Sure. To council member kitchen's point, I think we could say exception for tree light installation is allowed subject to city approval and after city consultation with merland tut Is bat conservation --

>> Mayor Adler: Sounds like that's got it to me. Everybody okay with that amendment going in? Here it is. We've taken care of tree lights. All right. Then we have the bonus situation. You O need to figure out how to get the 10 per cent and other elements in that. I think we agree on intent.

[9:53:01 PM]

>> What I'd maybe suggest for the bonus area is to try to make it more simple. We tried to take pieces of the downtown density program, put them in. I think we had too many. What if we laid out and simply said, you know, the six to one, 200 feet, 18.86 acre tract, with regard to the actual requirement that we say it would be for on-sight, affordable -- that they chose that option -- 10 per cent at 120 for owner occupied, 10 per cent at 80 pr rental. That matches what's in the downtown -- for fee in lieu of, we said the fee required would be that which is required in the downtown density bonus program as per the fee schedule at the time of CL. That would be indexed as that increases with the fee schedule.

[9:54:02 PM]

>> Mayor Adler: You got that? Does that make sense to you?

>> Kitchen: So what you're saying is what -- said 10 per cent at 80 per cent mfi.

>> Yes, for rental. 10 per cent at 120 for owner occupied. Matching downtown density bonus numbers. For the fee we would say per the fee schedule of the downtown density bonus program at the time -- knowing the number would probably change every year or --

>> Mayor Adler: Which is what it would be if it was downtown density bonus, which is where we started out. Same thing here that you have in downtown but you're pulling in the elements rather than trying to pull?

>> I think -- yeah.

>> Mayor Adler: Council member tovo

>> Tovo: I'd like to know what that fee currently is and I'd like to raise an issue with regard to naming of the 23.2 million. One concern that one of our housing advocates just raised

[9:55:03 PM]

is if the mix of -- if residential increases on this tract over time, that fee is set and doesn't have an ability to increase. So I think setting the 23 million -- naming the 23 million in this way is the same -- almost the same issue --

>> Kitchen: That's a different issue. We're not talking about that now

>> Tovo: I understand. We're talking about housing.

>> Kitchen: We're talking about a separate section of housing

>> Tovo: I understand. The solution was to tie it to the bound town dense -- downtown density bonus fees and that may be --

>> Kitchen: Go ahead.

>> Mayor Adler: Let's --

>> Tovo: The answer to the issue I'm raising may be the same resolution -- may be the same answer that we need to tie in a similar way. In any case, it's still about the housing dollars and it's an issue I think we need to resolve for.

[9:56:04 PM]

>> Mayor Adler: Let's split these issues. There are two issues. First is --

>> Kitchen: Yeah. The other thing, mayor, and council member tovo, is that -- so the 10 per cent at 120 per cent mfi is higher than what we've got on page 13 #, which is 60 per cent mfi and 80 per cent mfi. I would look to staff and maybe council member tovo knows this area well. I'm not sure those are the right levels to set it to.

>> Mayor Adler: We've asked it to be the level of the downtown density bonus.

>> Is there a question?

>> Kitchen: My --

>> Tovo: I had asked a question first about what the

[9:57:08 PM]

current fee schedule for downtown fee bonus.

>> The current is \$12 per square foot of the bonus area. That's in the fiscal year fee schedule.

>> Tovo: As I recall, it had been higher and we actually lowered it.

>> Commercial was higher. Commercial was 18. Went to 9. Depending on your district -- 12 went to 6. But residential properties with CBD zoning other than rainy street is \$12

>> Tovo: And we had directed there be a study done. I think it was not done in time and that's the reason the fees were lowered, but hopefully that study is going to be done so we're closer to what it actually costs to be built.

>> Mayor Adler: All right. Can you explain what the difference is in part -- if the

[9:58:12 PM]

at 120 ownership, and 10% at 80% rental, what are the numbers on page 13?

>> Mayor, the thing that we're discussing is actually for the bonus area and the things on page 13 is the main affordable housing.

>> Mayor Adler: Okay, so it's a bonus program that we're discussing.

>> We're discussing just the bonus program.

>> Tovo: And I confused the issue by saying that back in the affordable housing section on page 13, there's an actual number with the fee in lieu what the developer said that it would cost -- the increases. But it poses -- that numbers toes the same challenge --

>> Mayor Adler: Let's do one issue and then the other issue so that we don't get confused. With respect with the density requirement for the bonus we said in our resolutions that we passed twice as council you do what the downtown density bonus

[9:59:12 PM]

is. And you tried to pull in the downtown density brownus bonus in, and you are put in here.

>> We would 18.86 and for the bonus we'd say 10 at 1 20. And 10 at -- or the fee as per the current fee schedule when the building is built.

>> Mayor Adler: Right.

>> Kitchen: My question is for our housing staff. So I just -- just want to double check with you all that level. I know that that level is the downtown density program, but that is a different area of town than this. Downtown -- I mean, south of the -- south of the lake is not downtown. I mean, I know that we're, you know, using that as an analogy, but not downtown. So that just seems like kind of high to me, 10% at 80% -- 80%

[10:00:15 PM]

M.F.I. And 120% M.F.I. So I wanted to just double check with you all that you would think that would be the appropriate levels for a bonus?

>> The M.F.I.S for the downtown density bonus are the highest that we have, 60% for rental.

>> Kitchen: They are? Okay.

>> But it is a recognition that the downtown area is a unique market that commands higher rents and higher for sale prices.

>> Kitchen: Um-hmm. I'm not sure that translates here.

>> Mayor Adler: To me, I would keep it and we said that we'd do the downtown density bonus and I would keep it here and I wouldn't make it harder than downtown. I'm comfortable as we have done the last two times of mirroring whatever those provisions are. If we think that those pro commissions should change, they should change downtown too. Councilmember tovo.

>> Tovo: Mayor, I think you have

[10:01:16 PM]

said a few times on the last couple times, I think that you voted this only on second reading and this was not in the ordinance that we passed in first reading. I have a question for you, and I concur can councilmember kitchen, this isn't within the boundaries of downtown. I know that it's been within the downtown pid for a while but most folks who live in this area of town do not regard this as downtown. It is within the south central waterfront and we have some -- we have set goals of affordable housing within that -- within that area. And in your estimation, with these income levels what people are talking about when they said that they wanted to see 20% of the units created in this area to be affordable?

>> When we talked to the community about affordable housing, generally their vision is significantly lower than any of the density bonus programs that we talked about. But our density bonus programs are certainly intended to be calibrated to the market.

[10:02:17 PM]

And so that doesn't always meet the community's expectations regarding affordability. Which is where our subsidy generally comes in. So our density bonus programs are designed to meet the market where it is, and build on that market capacity, and then our subsidy programs are really designed to drive down the M.F.I.S that we serve.

>> Tovo: I guess that I'm not sure -- would it be your recommendation to have different mfi levels for -- for the pud? Affordable housing units? And the density bonus?

>> My understanding is that this reference is specifically to a bonus --

>> Tovo: To a bonus. But I guess that I'm wondering why they're not specific? Let me say that I know that they're not consistent because the amendment was a different amendment.

>> Correct.

>> Tovo: One way to make it easier though is to keep it all at the same level of affordability.

[10:03:18 PM]

>> The 100% and 80%.

>> Tovo: No, I would go --

>> Or 80% and 60.

>> Tovo: Yeah, I would go with the 60% and 80% specified for the planned development units.

>> The policy decision.

>> Tovo: While we're talking about this, we're having conversations about a fee in lieu rather than on-site and I wondered if you wanted to speak to the need for affordable units in here and what the staff's recommendation would be? The staff's recommendation, I assume, on the statesman was not to create this -- not to have a fee in lieu.

>> Mayor Adler: Let's hold off that question because it jumps to another question.

>> Tovo: I was trying to be efficient with your time and movement but I'll hold that for later.

>> Mayor Adler: Before you leave for a second, I mean, obviously, in all of our density bonus programs we want people to use them.

>> Correct.

>> Mayor Adler: Right. So it doesn't do us any good to put in low numbers and we feel better for low numbers but it's not going to be used.

[10:04:18 PM]

>> Correct.

>> Mayor Adler: If we think that the downtown density bonus would give us better numbers and it would be used if we dropped it to 80% and 60%, why aren't we doing that?

>> So all of our density bonus programs are calibrated and we hire a third-party consultant to look at the market realities and to calibrate the programs so that we are providing some sort of benefit or incentive for the developers to opt into this optional voluntary program.

>> Mayor Adler: So what --

>> For downtown, I can't think of an example, to be perfectly honest, where we have had a developer do on-site affordability. We always had a fee in lieu --

>> Mayor Adler: What is the number for Rainey street?

>> I left my computer back there. I believe that it is \$5 a square foot. But we do have a mix for Rainey street, it's a mix of on-site.

>> Mayor Adler: Do you know what the percentages are?

>> 5% on-site. Councilmember -- oh --

>> Tovo: I'm sorry, I should

[10:05:19 PM]

remember too but it was, importantly, at you were just saying with Rainey, that some of the affordable housing to be on-site and we have been having that argument about the downtown density bonus program for as long as I have been on council and we don't have developers that take advantage and create those units on-site because the fee in lieu is so low.

>> Mayor Adler: I'm just scared to death that we'll have a buildout of this area and not have any affordable units because we set the numbers too low. Like we saw happen to us in Rainey street because we set the numbers below -- we set the numbers to the place where the market didn't use it and we had an opportunity to put hundreds of families there that we never realized.

>> Tovo: I believe they are using it in Rainey street in a program that requires on-site, we have uno, Rainey and vmu and they are creating those units.

>> And each of those has very unique requirements and is certainly a unique sub-geography.

[10:06:19 PM]

We have the alphabet soup of density bonus programs and I have a whole chart and I can't remember it all so I have to use my cheat sheet. And Rainey is 5% of the residential area at 80% for both owner and rental.

>> Mayor Adler: Okay, so it's 10:00, guys. Do we want to continue past 10:00? Or we want to fold this into tomorrow? Okay, so this is where I think that we are. Hotel, we have to decide if it's prohibited, conditional, or whether it is permitted. I think that in the bonus thing here, I think that we have -- agreed to the kind of language that you have, but we have not agreed to what the language should be. And there are two elements with respect to the language that we have to discuss. One is what is the required affordability to put in for the bonus area? And the second one is are we going to have the \$23.5 million,

[10:07:20 PM]

we have those questions under that section.

>> The second one again, mayor?

>> Mayor Adler: The first one, the hotel is the first one. And the second one is what is the bonus provision. And there are two questions with respect to the bonus provision. I think that you have solved

the third question, which is how do we do the language. The two remaining questions are -- are we doing 10% or more than 10%, or doing 80%, 60%? That's the second question.

>> Okay.

>> Mayor Adler: The third question is the one that councilmember tovo raised with respect to the \$23 million. Is that a number that should move or is that a number that is set? Okay? Those two questions. The next one is the affordability question. And the question there is, is it on-site, is it a 4-2-2? Or is it fee in lieu that the staff can use at something like the Walter morrow project on south Lamar. That I think is the third question. The fourth question is the tirz

[10:08:20 PM]

and public fund question which I think that we have agreed on in intent, we just have to come up with the language. And I think that those are the outstanding issues that we have on the mud. Mayor pro tem?

>> Alter: I'm not sure that you mentioned the parkland dedication part in your list. But I did want to just make a suggestion and maybe it can be figured out. Maybe the \$9 million to include the extra \$100 per unit and posted no later than the filing of a site plan for the completion of, say, 1,200 to 1,300 units and pard can work with the applicant to get the right number of units to get to the amount, whatever it might be, minus the hundred dollars in the 6.9 calculation and that way it is tied to the units in a way that -- that lines up with the parkland dedication approach.

>> Mayor Adler: Okay.

>> Alter: It may be, you know,

[10:09:21 PM]

slightly off, but I think that would -- that perhaps addresses some of the concerns.

>> Mayor Adler: Did you understand that and, thank you. That is the sixth issue that we're talking about, which is how do we handle the parkland and the windfall question. Would you describe again, mayor pro tem?

>> Alter: Sure. So the idea is to have them to have to post at least as much -- or used as much in the park by the time that they do a site plan to get a certain number for the completion of a certain number of units, which is related to the number of units that they're proposing now. It's not a perfect number, because we have both commercial and there's hotel and whatever. But pick some measure there that if they reach that level, and they're submitting that site plan and they haven't done the 6 6.9, they have to have put that much forward.

>> Mayor Adler: Does that make sense to you? The number of units that is anticipated in the plan now, when you get to those number of units, you should have either

[10:10:24 PM]

given fee in lieu or paid money totaling that \$6.9 million.

>> Alter: or invested that much in the parks.

>> Mayor Adler: Paid that much or donated that much.

>> Alter: And I wanted to flag that I had circled an amendment with the hotel question which is really to str, which would prohibit type 1 and type II str, and for str, say that str type 3 and they may not be within any building on the property.

>> Mayor Adler: Okay.

>> Alter: The current code is 25%.

>> Mayor Adler: So the limitation on str.

>> Alter: They have not talked with the applicant, we just had our executive session.

>> Mayor Adler: So first issue is hotels. The second is the bonus question. And the third is the affordability and there are three possibilities there. And the fourth issue -- is the language for the public funding question. And the fifth issue is the

[10:11:25 PM]

parkland win fall question, and the sixth is an str limitation.

>> Alter: And just to clarify, I don't think they can have type 1 or type 2 there anyway, it was just for clarity so the real issue is the percentage for the type 3.

>> Mayor Adler: Okay. Again, colleagues, it's 10:00, do we want to try to handle these or come back tomorrow and try to work through those six issues?

>> Kitchen: I would say tomorrow. I would say tomorrow.

>> Mayor Adler: Come back tomorrow. Okay, so those are the six issues and maybe we can advance those six issues and come back with language and suggestions tomorrow. We're going to reconvene at 10:00, all right. And so --

>> We will do Austin energy first?

>> Mayor Adler: Sorry?

>> Can we do Austin energy first?

>> Mayor Adler: Um... --

>> Before you decide that, I wanted -- I think that my staff is trying to find time for the three of us to talk about the

[10:12:25 PM]

proposals that you both brought, which I would like to do before we dig in.

>> Mayor Adler: We can try that. I will call up the pud first at 10:00. Let's start with the pud and then I'll do 55 and 56, and then we're going to do Austin energy and I'll do them in that order. Yes.

>> Thank you. I would like to get a sense of how long we'll meet tomorrow? Because I do have a hard stop around 2:00.

>> Mayor Adler: Okay, let's just book it and work tomorrow and see how many issues we can narrow down tonight and number 36. All right? Ready? All right, at 10:13, I'm going to adjourn this meeting -- no, I'm going to recess this meeting and we will reconvene at 10:00 tomorrow morning.

>> Mayor?

>> Mayor Adler: Yes?

>> Tovo: On your list was the issue I raised, correct? About the housing? About the housing payment --

[10:13:28 PM]

>> Mayor Adler: Yes, that was part B of item 2. All right. We are recessing back here at 10:00 in the morning. We're going to start with the pud and we'll do 55, 56 and do Austin energy and we're going to do -- sorry --

>> [Indiscernible].

>> Mayor Adler: Public hearings? Um, yes, because this is a continuation of the meeting tomorrow. Any objection to closing the public hearing on the pud? Hearing no objection, the public hearing -- hearing no objection on the dais, the public hearing on the pud is closed. We also are going to do potentially executive session on 55 or 56, depending on whether that is needed. All right? All right, guys, thank you.

[10:33:12 AM]

All right, guys. And Morgan's saying, we have to start. In which case we'll, we'll go ahead and start my colleagues. This is. We are reconvening the December 1st 2022. Austin city council meeting. You'll recall. We convened this meeting. Some hours ago. We've taken, speakers on this agenda. How about we have people last night there were having trouble staying awake on the desk. So we have we recessed. Has so that we could pick up the continuation of this meeting now. As we discussed yesterday, we're going to see if we can resolve the item 84 at all the south central waterfront. Pad. Then 55 56. Ah!

[10:34:20 AM]

The developer code, then. Council member tovo is going to get an opportunity to urge 36 and then we will go to Austin energy. That's the order that we're going to follow. We're going to begin with the south central waterfront. Bad. And as we were going through all the elements last night I don't know where jury is. Wright. How he's here. Just hiding. Wait just a second. Hey, Jerry. I just want to confirm what we have left to decide. Hotel. Ah we had to figure out whether it's going to be permitted disallowed or conditional. We have to decide whether there's going to be. Any

[10:35:22 AM]

language with a prohibition on str. Ah we have to look at whether there's language to adopt on Kathy's amendment, given that the intent seemed to be everyone had the same intent. The affordable housing timing. Ah issue on affordable housing. We have two issues. One is what's the timing? For the payment. Of the 23. We have the issue of where the affordable housing will be. And then, if people want to urge it, we have the issue of whether the \$23 million changes. Because three issues subsumed in that. Then we have the bonus area. Where we needed language that made

[10:36:22 AM]

certain what the bonus provisions were. Because the language was not clear. I think we were agreed on intent to get the language. And then the last issue was. How do we make sure that the parks funding is going to happen? Is everybody contemplate it? And there's not a windfall. With the developer should the legal requirement go away otherwise present has been performed in its part of the conversations here to make sure that that happens. I think those are our six areas. Yes. Can you? Tell us who's amendment. This one is doesn't seem to have a name. That's my parkland fee. Third phase. That's fine, okay, and your name is on the other one. I see that. Yeah this legal just gave me the language. Thanks Mary did have a question. Yes, question. I thought that if they're settled law.

[10:37:24 AM]

Legislation. The legislature can't. Pass a lot to overturn it like if it's already in place. We already have an ordinance. The ordinance. Controls, or is it is it such that if this language on the parkland dedication feed. Where to be preempted by the legislature. Can the legislature reach into our finalized actions here in this ordinance and nullify it? Hmm. But I am not an attorney. We have one. It's so I'm incredibly grateful for that. Council member. I don't know if you remember, but it's happened before. Okay, talk to us about that, please. Well, briefly briefly. Preemption of sick

[10:38:25 AM]

leave and the bag ban and so forth so that preemption sources source of income. Okay regardless, the applicant has agreed to this language and so I think we're the best of all worlds. Thank you. And thank you for agreeing to the language, okay? So let's start quickly with the things where we think we might have agreement. This, had made it four author, which addresses the sixth bullet point. Has everybody seen that language? Is there agreement on that language? There's a lot of piece of paper. Can you be more specific? You're talking about the parkland C one or the yes, the parkland funding if the parkland this is a avoid the just explain that what we did just explain what we did, so what this does is it basically says that by the time they get to phase three and when, at phase three there and the phases are determined by the dedication of parkland. So there's three

[10:39:25 AM]

phases in the ordinance for dedication of parkland when they get to phase three and there, dedicating. The parkland. Before they can have the. The site plan approved if they have not paid at least 6.9 million. Then they have to pay at least that much they would still be required if the fees increased pay increased fees. The 6.9 million includes \$100. Above. Current fees in terms of its calculation of what would be owed under today's regulations. So that's essentially what it does it ties it to a particular spot that's already within the putt ordinance as the time at which they would have to have paid at least as much at least as much as what they would owe today by the current calculations of what's proposed. And they would still have to pay more if the

[10:40:26 AM]

fees required more. Okay. Okay with it. Jerry's staff. Okay with that. Yes the applicant okay with that. Sure. Amendments are flying. I was reading. When can you repeat the question? Are you okay with the proposed language for H dealing with the. Possible windfall issue. Yes, okay. Objection that going in. That's going in. We can take that one off of our first ah! Passing modified at ctr, and I think they're an agreement to that. Okay? Let's look at the str issue. So, what this does. This would allow type one, which would be a situation where you

[10:41:26 AM]

had a condo owner that wants to rent out there. Place for south by or for a week. Here, there. Type two is not an issue here because we don't have any single family homes or if we did, it'd be a really expensive single family home. And, for type three. Then we would instead of capping by current, which by current code is 25% in any building, it would be 10. So it would still be allowed. We just wouldn't be allowing it to go up to 25. What's the staff in African are okay with that. Okay with that one, too. Yes. Applicants. Okay with that. Okay. Thank you. That takes care of that one. A business that language going in hearing on that language goes in. Thank you. Okay. What about the,

[10:42:30 AM]

affordable. What about the how about the affordable housing. Timing and bonus issues. We have language for that. Somewhere I, we were I was working on it just a moment ago. I don't know if we have final languages yet. If you'd like to, I can characterize what's being typed up or let's wait till we have language. I don't have any language yet. And the bonus, the bonus area that we have language. I

imagine clear that's that's actually been worked on. Maybe if we could do the timing for the 23 million, okay, let's do the timing of the 23 million timing for the 23 million. What we have been discussing with the applicant that Stephanie African agreement on would be that the \$23 million fee in lieu of would be paid within six months of execution of a construction contract for the development. For the developer to build and

[10:43:30 AM]

for the city to pay for roads, utility and related infrastructure, or the construction and improvement of improvements. The construction of improvements required in the traffic impact analysis, whichever comes first. So what this says, is that basically the plan has always been for the developer to build themselves Barton springs road as you know , we had a previous amendment we discussed yesterday that says that they cannot get final permanent CEO until the road is constructed. They can get a couple of temporary studios but no permanent CEO until the road is instructed developer bit leaves that they can build the road probably faster than the city can. And so the plan as envisioned in south central and the entire time we've been negotiating the pod just for the developer to build a road in the city had reimburse them for that. In some form or fashion tours or otherwise. But this would say. Is that within 23 months within 12 months of that construction contract being issued for the road then the developer would be hard to pay the \$23 million or improvements required by the T I. A which

[10:44:31 AM]

would simply also include intersection, improvements to Barton springs and south congress. May I have a question, okay. Should I go ahead? Go ahead. Do we have this language anywhere that we can actually look at? That's the question. We asked just a second ago. Other working on this language, too. Yes. Okay I just need to either decide anything that we have the language. Okay great trying to figure out where the languages I don't know the answer. We're going to find that. Okay well, then I have a question about what he just read. Should I ask that? Yes. Okay. So, Jerry, so, so you were saying that the sooner a of 11 year after the construction contract is sign, and then yes, there would be an agreement between the city and the developer. Developer builds the road agreement we did you know the city's somehow reimburses them for that within 12 months of that date happening. The agreement with the city exactly reimburse them.

[10:45:33 AM]

Well okay. And then the second piece of it is just kind of runs out a little bit to include other improvements. Identifying the T I a. So if it starts specifically Barton springs road. It may be, for example, a, is there reengineering of the intersection? Okay I'm curious about the reason for the 12 months. And he's in. I'm also curious whether the second piece could actually occur more quickly. Hmm. I think for the 12 month this year have to defer the applicant while they were requesting the 12 months. I just need to understand that better and then the second piece says tell me what it says again, second piece says, or, or construction of improvements as required in the T I a construction improvements started signed for completed contract. Same thing would just bring in the started working in the intersection before we actually started building the road. Yeah, we just want to have both in there so that either one of them would trigger the need

[10:46:34 AM]

to get I just need to understand the thinking behind 12 months. That's a long time and also I need to understand the relationship between that and when the city pays for those construction cost do we have the I don't remember what the timing is for when the city is going to pay for the construction costs. I think that depends. That depends upon the city right right up using hers money for that we may end up using some other form of money. So that's something that I think that we don't we don't know yet. I just wouldn't want there to be a lag or I mean, I can see some lag. I wouldn't want there to be a long lag between between those two because, of course, our goal with affordable housing is to move forward as quickly as possible. So we could be talking about a couple of years here with that kind of timing council member what this tries to get to is to two things that both sides want to happen sooner. Developer would like the road to happen sooner, and the city would like to get the \$0.3 million sooner. And so this agreement kind of ties the two together to kind of

[10:47:34 AM]

make us both try to do things sooner. But it's still quite a bit of time. If I'm if I'm not a because it's isn't it or maybe I'm just not understanding the timeline. Council member is as you all know, we're not in the business of telling you where to spend your money, so that's not our issue. We have talked to some people that are in that business and they said that they would need the money, probably in about 18 months. So we just built in the six month contract. 12 months to pay. If they needed it sooner. It could be sooner. It's we would prefer not to write a check and just have it sit in somebody else's account. Not ready, but that's it was just a matter of trying to figure out when they might be ready to spend it, and that's how the timeframe came. So you're thinking is that that that, sort of trigger of signing the construction contract would happen in six months? Is that what you're thinking? We're guessing six months from now or six months from a year from now,

[10:48:35 AM]

six months from now. Right is there any language in there? That the talks about that, or is that that's what you all are anticipating the language that protects the city on that, that if we rally around and don't sign a contract the city could start construction on Barton springs road, okay, and that triggers the requirement. So the city is in full control of the timing of that, okay? Thank you. So that's it, clarifying question on the 23,023 million. What does that number represent ? Like? What was that supposed to be equivalent have Richard subtle cellphone if anyone would like that. I'm sorry. You can have it. I'm sorry. I'm sorry. Remember that I just wanted to understand 23 million where that calculation came from what that

[10:49:36 AM]

represents. There's one thing I did want to clarify the day for everyone. \$23 million came from the dollar value of the staff recommendation for the affordable housing. So the 4% on site affordable housing that the staff was recommending because of the south central plan. The dollar value. That was \$23 million. We have verified that with the work that we had ups do for us related to this pod. And they placed the value of that at \$23 million. So what is that per unit? I have to go back and do the math, but I think it was these are both motions. About 500,000. \$1000 and that's for 4. There was that that's the value of 4. Of the on site housing that's allowed within the pod. Okay? Thank you. Mr Osterman. On that point. We talked about this a little bit last night. I think that that raises the same challenge that we had with the parkland. Dedicate dedication be

[10:50:38 AM]

where, if there's additional residential than is currently contemplated? The amount of being blue. Is no longer potentially no longer equivalent to what it would have been. As a percentage based. Calculation of the number of units. I don't know how to articulate that. But the number was derived from a percentage of units and if the amount of residential on the track goes up, then the number of units would have had to go up. And since they're not doing units, though I'm anxiously awaiting the moment in this meeting to revisit that discussion, but if they're not doing the units, and we're converting the units into a dollar amount than the 23 million manned up being too low, so I would like to suggest that we have language in there that says a minimum of 23 million with the understanding that that dollar amount is going to go up if there is an increased amount of residential on the tractor. Let me go. Let me certificate

[10:51:39 AM]

with what? We're discussing something else. I'm gonna go check the pot and see if there's a cap on the amount of residential is allowed. And so that would actually solve that problem because we would know that there be no more than a certain amount of residential yeah, I don't remember seeing one. And I'm not sure you know if there's I'm not sure that that's something we would want to do if they decide not to have for example, a hotel or on the side or if they don't get approval for a hotel, and they decide to do residential instead. Then you know, I think this my guess is that this council would be super supportive of that. So I don't I don't I hope that we can figure out a solution to that issue. That's not a cap on the housing. We had three issues with respect to the bonus, and the third one was 23. Number moved. Yeah. Back to that. And then I and then I would like to invite our staff up again there at the appropriate time. I would like to invite the staff and the applicant up to talk to revisit the issue of the fan liu, please. Business issue but of

[10:52:40 AM]

the family versus on site. Housing and I'd like to specifically address our staff. And ask them for their recommendation about the kind of housing is that? Would you like me to do that? Now we have three issues and we're gonna we're gonna gonna what we're picking each issue up. We're going to stay on that issue to issue before we before we move the gym, and so the three issues are one. What is the timing of the payment? The second one is where is it? Is it being Luz at on site where the rules associated with that, and the third issue is does the \$23 million move? That we're gonna focus. Now. There's language. It's now been handed out to you. That Jerry was working on this morning and I think we acted as prisoners for or typists for it is, just handed out, and it is version sheet. Two. Is that right?

[10:53:45 AM]

Alright so, Jerry, I'm trying to figure out the three issues. And. And ultimately, I'm gonna need Richards attention on this, too. There are three issues. The first one is what's the timing of the payment? The second one is where is affordable housing done, and the third one is the \$23 million move. In the event you do, for example, more. Presidential sometime in the future. So. Would you stay here for just one second, Michael? Thank you. Do we have anything that addresses the time we have any words that we can look at to address the timing of when the things paid? I'm just the words I've read out to you right now. We do not have them typed up, so we don't have that language yet down here yet, and it's not in

the language that was handed out this morning. Correct right? So we'll come back to that one. Then we have a question of where is the affordable housings. Money spent. And the other one

[10:54:45 AM]

is the \$22,023 million move. The \$23 million move questions the new question. Have any language on it yet, and the question is if we build a sense of \$23 million was calculated. Based on 4% of 2500. 4% 2500 if you do more residential than that, should the \$23 million go up. And I understand that the applicant is agreeable to that, and I think that they can address it right now. Mayor my client keeps tapping on the same. When does this stop? But but they get it right when we get it, right, that's all. Just like the park fees. 23.2 will say that that is a floor. Whether we build five units or 25 units or whatever, if we build more than that was calculated on we will pay more. Okay? It will be adjusted accordingly. Okay so we're gonna need language that does that because there's a couple different places. Probably that

[10:55:46 AM]

runs to think we had a glitch in responsibilities of who was supposed to draft what we talked about, okay? Kathie. So let me just add one more wrinkle to that challenge. I think you came up with the numbers for the 23 million. As I recall. In the course of conversations, you said it was going to cost your client 23 million to produce that kind of housing. I think we have an agreed upon. Your economic consultant came up with that. Do we have fine. My question here is do we have an agreed upon calculate in addition to saying that that's the floor do we have an agreed upon calculation that would be used to come up with the additional fee in lieu if the residential increases that's the key. We got to figure out what the formula looks like. Because I don't know what the formula was to come up with the 22nd drafting issues only if it's that's if we use the bonus payment. The bonus payments going to have the fee and Lou that's designated in. In the bonus, right, Mr settle. I was

[10:56:48 AM]

asking about a different I was asking about a different issue that one of our housing advocates pointed out, which is if the no. No, you're you're fine to stay there. If their point was, if some of the users on the site change and there end up being more residential, not in the bonus piece, but just end up being more residential than the commercial you currently contemplate. That wouldn't necessarily based on how this is being drafted at the moment that wouldn't necessarily trigger an increased affordable housing provision, though it should, because if you're moving away from a percentage base of the total residential units to just a fan liu but the fee and Lou is stated in here as an exact number than it doesn't have the ability to increase so we need we need language that does. Along the lines of what the parkland. Dedication does as you as you just captured it sets as a floor but also agrees upon a calculation that would be used to come up with the additional dollars that would equate to the theater can be pretty interesting. Resident percentage 0.2 is based on the number of units we have in our part today,

[10:57:48 AM]

and that's 4. If we do more than that. It will be fee will go up on a pro rata basis in the same the same calculation. Okay, so. Okay? Mandy's that susceptible of being able to be written down into that right? So to clarify a couple of things. The 23 million, was part of a calculation of third party study conducted by gps that valued the 55 units of affordable housing at 80% median family income at that 23 million that equals 418,000 per unit. We are fine with the right now. The 4% the on site recommendation,

which equates to the 23 million . We're fine with that being a floor and then adjusted appropriately should the number of residential units increase that seems equation equation

[10:58:49 AM]

unit or something 18 per unit. All right. Thank you so much. Okay so a vase and Michael is you're helping to facilitate the writing of language. There are two things that need to be written. We need one work with legal and staff to get the right wording on the timing question, which we don't have a draft of deceit to discuss, but it was described to us and it seemed to be okay. But let's see the wording. And then the second one is the \$23 million. Needs to be able to move based on \$418,000 per unit. Put on the site. Within the initial 3.5 million square feet. Right, so it doesn't pertain to the bonus area. Cancer kitchen. My question the bonus areas separate areas separate but it says, is as cancer October just explained, if they choose. Not that they don't do a hotel. They

[10:59:50 AM]

do residents they could. Have you heard residential accounts still within the grand actually. Okay so those two things need to be drafted. Okay so I understand that there's an agreement Burt understand to go and put the things that we just spoke of put that in writing the timing and with regard to the possible adjustment of the \$23 million, okay, that we're moving forward council. Are we okay with timing as it was issued as it was described, and are we okay with having the \$23 million beautiful floor and I said floors, so you can't go below that. But it could go above that, based on more residential units at the 418 per year. At work. Yes I mean, it's all based on an assumption that I don't share. But yes. But the other the other thing I want to throw out here. We had a discussion yesterday council member kitchen that you initiated about how to calculate the bonus area. Family. Is it numb? I don't know what the I assume that the bonus area we're gonna we're not to the bonus

[11:00:52 AM]

area. Question yet, but we'll get there. I want to revisit the calculation of that and whether it would be easier just to use the calculation. We just get to the bonus area in just a second. That's okay. I'm just trying to keep going. You're doing good. Thank you. Okay? Ah then with respect to the affordable housing the third answer. The third question is where does it go? Is that on site? Is it a 4 to 2? Is it offsite? We started having that conversation yesterday. Let's see if we can make a decision on that. Here now. Fuentes thanks, mayor. I think we started having a conversation about approaching this from a both end perspective . And so I really would like to see that fee and lugo minimum 23 million as well as on site affordability, affordable housing at the 4 22 property. And so if we can have a conversation around on, I'm doing both. You're saying the \$23 million could either be

[11:01:52 AM]

spent on 4 22 or offsite or both . Are you saying you want \$23 million plus the 4 to 2 units, plus 4 to 2 units. Okay, mayor. Maybe we just talked about you know, the bonus area would be over and above the 23 million correct any amount over and above the 23 million. We could speak to that in terms of at 4 22. We'll talk about forward about the bonus. Stop in a second counselor Fuentes is saying is she wants an affordable housing. Superiority issue with respect to the 3.5 million square V to be \$23 million plus units in 4 to 2. Not sure she where she's saying that funding is coming from for the additional amount because

it we've just talked about the ability to have some potential for some additional funding. So. So what you're talking about

[11:02:53 AM]

is a total expenditure on affordable housing that's in excess of \$23 million. Where were you anticipating? That money would come from? I think we had start. Well I mean, my preference would be from the developer. But I think we also opened the conversation to have our housing staff come, you know, share some, some feedback and inside as to the housing bond dollars that we just passed, and if there's any consideration of that funding, for that property, but again, my preference would be to have a stronger commitment to affordable housing from the applicant. Okay? So from a housing staff. I want what I want to hear from the applicant before housing staff. Is there more than \$23 million to extract from from our housing staff and are dealt with people who have been working with our cost. You, I think yes. \$23 million the right number to extract from the

[11:03:54 AM]

property owner or based on the analysis you've done in the economics, you would be extracting more than \$23 million from the property. Based on our analysis, which was corroborated by the third party report. The 23 million is the equivalent to the 4% on site affordability that was staff's recommendation . First issue developer to come with more than \$23 million. My position would be. I'm going to rely on our staff to do the calibration and I'm comfortable with the \$23 million we want to put that to the vote. The next thing we'll talk about is whether the housing staff has additional money they want to throw into this, but we want to take a vote on the \$23 million number. What? I have a question. May pretend first. So Mandy, if you could so what I understood and I'll ask Mandy to corroborate this. Was that there's an opportunity. Nearby

[11:04:56 AM]

for a foundation communities related project that would be you know, all affordable. You know in perpetuity. That needs money to get off the ground. We have bond money, or we have this money that we could use to make that happen. That would be a perfect project for the bond. And we could get the housing at 4 22 or on site. Was what I heard was that our housing staff thought that we would be maximizing the amount of affordable housing that we could make by doing both. I don't want to put words in your mouth, Mandy. But if you'd like to speak to that set of choices and opportunities if what we're trying to do is maximize the amount, affordable housing generally in that area of town, so I am not looking at this as an either or I'm looking at them as two distinct opportunities. And the statesman part the

[11:05:58 AM]

affordable housing within the statesman, part again. Staff recommendation was the 4% in alignment with the south central waterfront vision plan on site. Affordability and opportunity subsequently came up with an adjacent property, which is also appealing because we are very committed. To have to meeting the south central waterfront vision goal of 20% affordability and this will certainly help us move towards that. The other property that has been discussed . Merrily foundation, is a longstanding partner, a nonprofit partner. We actually have representatives from Mary Lee here, Russ walker, who is the executive director. Fantastic organization. They are looking at redeveloping their large campus right

off south Lamar. We've already met with them. We have invested in there. It's a little more than a dozen individual buildings on Lamar square. Two of those, two in the best shape our previous hfc awardees. We have to multi family properties there. Willows

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and legacy and tastic properties . We would anticipate investing in the redevelopment. Of those that entire campus frankly, because it meets all of our priorities. Population is extremely low income, vulnerable population alignment with project connect. All fantastic opportunity to leverage our funds. Those would clearly the 2022 housing bonds. That 350 million recently approved by voters would present an excellent opportunity for investment into married Lee. And while we can't presuppose that they would be awarded funds because we have a process a quarterly application process. If I were a betting woman, I would say it's a really good bet that they would be successful candidates for that. Thank you and without going into gory detail of how all of the housing funding financing works. But if we were trying to leverage, our resources to accomplish the most

[11:08:00 AM]

housing. Does it make sense to put both parts together in the merrily project or to put the bond project the bond pot there? And get this on site. Affordable housing because aren't there lots of other housing finance? Tools that we would be able to leverage. For the other projects merrily merrily. Absolutely so we would anticipate that the Mary Lee redevelopment would entail traditional loan come housing tax credit. Project where we would provide some gap financing that's typically how hfc operates, typically, with our light tech deals, we leverage our bond dollars or other funding sources. 5 to 1. We have a really good leverage ratio. Now they're redevelopment is you know down the road? It's not going to happen tomorrow and it will be a large scale

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redevelopment will be multiple phases and take time so I can't speak to what the financing would look like. But that's how I would anticipate south central . Is a bit of a more unique animal because we're not looking at we're looking at getting housing units on site, not utilizing other. Programs like the light tech program. We're looking at getting that through our ordinance. Thank you. My recommendation would be to keep them separate. Right, so it's both. It's both. And in my view, it's a both and both and canceled tovo and consumer kitchen. Because we have a few questions and council member of Fuentes question, I think raises the point. We've been talking about all along about whether 4% is the right figure. I don't I don't dispute I'm not going to try to dispute that 4% equates to 23 million because that's just it seems that. But but I do think that we've heard from

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advocates from. I mean, I think the statesman is now up to three editorials about it, supporting the view, which I personally schiera. That the number to begin with would have been 2010% because that's what our part ordinance calls for. It calls for 10% of the residential units to be affordable. The other thing that happened here, which we've talked about is that the putt ordinance calculates the affordable housing provision on the bonus area. However in this case, unlike the other, the pud development assessment that we had at our last meeting that that project that baseline was set at their existing entitlements with this project, the baseline to calculate the affordable housing was not set at their entitlements. It was set

at the increased entitlements of the waterfront of the south central waterfront. So before we even started calculating 4% or 10. They got a big jump. They. The staff did not use the basic line entitlements to calculate the

[11:11:01 AM]

bonus area, so we already lost. Based on that decision of staff manager I asked you at our last meeting, so please thank you report back on why that decision was made. It's totally inconsistent with the other part that's working its way through the process. So I would like a question. I would like a response to that here before we move on from this. Piece of the meeting. Why why the baseline was not set consistent with how the baseline should be set and how the other part was that? So again, that's I think the first question now we've had conversations on the dais that suggests there's not going to be support to increase it beyond 4% but I do wanna do want to highlight that one. They gotta jump. And how that 4% was calculated, and they're not using 10. They're using four. So council member Fuentes. I really support the direction you're going. I don't know that we'll have any we'll have enough support to weigh the day. But I appreciate you raising it because I think it's a critical question and again. It's the one that that the communities that are our local newspaper that others have been asking along.

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The second question, I think is whether we continue to pursue actually the construction of actual units and you know, as I said yesterday, I love foundation communities. I have a ton of respect for the work that you do I agree with our housing staff that that there are options. There are financial options for that project that don't exist to create housing in the south central and you know when we started talking, and I shared this with the applicant yesterday when we started talking in my office facilitated meetings with various housing advocates. And another community members. There was a real call to make sure that this being the first project out of the south central gateway that we really make sure that the housing gets constructed on site and it took a lot of conversations for people to get comfortable with having housing offsite but very close at 4 to 2, and I really want to applaud the developers for coming up with that option. I think it's a great option. I think it I think it is, you

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know, it's not. It's not the letter of the ordinance, but it certainly is the spirit. It's within that area and the real benefit that everybody I spoke with saw is that those units are going to become available within a year. And because their their commitment and I'm going to ask them to verify it here in a minute is that those units will become available as affordable units as those leases roll over . And so you know, when I mean this is such a fabulous opportunity to get 70 units a couple of blocks away in the south central waterfront. We know that tons of the jobs and this downtown area, our service industry jobs. The folks who occupy those jobs cannot afford to live anywhere close by and they're not going to be able to afford to live. In this development, but for really requiring there to be income restricted units, and I think we all benefit when folks live closer to where they work, especially those who work downtown and are coming in at long distances, and that's what we say we always want. We want

[11:14:04 AM]

affordable housing in all parts of town. It's always going to be cheaper to construct affordable housing outside the central city , but that's what we don't have a city policy that says we're going to construct

the most affordable housing and the cheapest places our stated policy again and again and again , is to try to have affordable housing in all parts of town, and we have a great opportunity to achieve that here. So I think , Mandy, I want to ask you a few more directed questions. I think what I'm hearing you say from our previous conversations in this one is that you still stand by the recommendation to actually construct units. Either at the statesman site or at 4 to 2 rather than a fee in lieu staff recommendation has not changed since the original since first reading. The conversations have grown since then, of course , 4 22 became an, an option a potential option, details of which would need to be worked out as the applicant just reminded me. But our preference in our priority would be on site

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if that cannot be achieved for whatever reason, or that is not your determination than our preference would be the 23 million fee and Lou as a floor, which we I think we have just all agreed on. 23 million as a floor to be used within the south central waterfront tourist district. And just to clarify if this 23 million is not. I think we had a conversation afterward about the 23 million and whether it would be allocated through this deal to a specific organization. But since since the conversations have been married, my art was my understanding from your from your explication of your memo, not memo. What's it called amendment sheet, but that's not what you're proposing. You're just proposing the fee and Lou but since we've married the conversation here about potentially putting those dollars directly into one project, I want to talk about that project and just make sure I'm understanding what you're saying, which is that you feel pretty confident. About the financial prospects for that.

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For the funding prospects for that project Mary Lee foundation because they have they have received cities support in the past, but they're also able to leverage lots of different financial streams that we couldn't leverage to say. Buy affordable units at a private at a private complex like 42 on the link. Absolutely they are well positioned without a doubt, for future receipt or award of hfc funding through the road, a program rental housing development assistance. We have a quarterly application process . Foundation communities is never seen them not be successful. In their applications for the road, a program and we that the project as we understand it, and again, we have met with Mary Lee and foundation communities on this project. Meets all of our priorities. Absolutely all of our priorities as a city in terms of population served in terms of location in terms of potential leverage. We just don't know the details of the

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deal yet, so it's not appropriate for them to apply for funding today, but it will be appropriate in the future and my understanding is they have a phased approach. To the development of a large area on Lamar square. I mean, it's a it's going to be a big project, the entire campus development. It's going to take multiple years. And we look forward to working with them on it. And can you talk a little bit about the timing of the different alternatives were considering so we have the timing of units constructed on the statesman the timing of the units becoming available on him at 4 to 2. Versus the timing of whatever we would end up spending the 23 million on would you go ahead and answer that question, and after that, then we're going to go to counseling kitchen will rotate around. Some other people have a chance and then sorry, and then, if at some point we could come back and ask the developer if they are still interested and supportive of the 4 to 2 options, which again I think was a great idea, and I'm grateful to them for raising it

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tomorrow here and we might call him and talk to. The only thing we're talking about right now is on site for two to offsite. Every other issue we're going to be discussing later, we're gonna focus laser focused on that issue. Had an answer. Mayor council member of Fuentes really raised the question to the of how much what is the right person and we will get to that question later, but we can only talk about one thing at a time or we're never going to move forward. Why don't you go ahead and answer the question in terms of the timing for the three different options the timing for on site units at the statesman would depend on the build out of the statesman. So I am going to defer to the developer. The timing of 4 22. Of course, it's currently occupied. And so while we would anticipate should the city secure, affordable units at an offsite property, we would anticipate that we would put a restrictive covenant on the property to secure those for the long term. The details would be worked out. But as the applicant

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pointed out to me, this is also contingent on a variety of other it wouldn't happen tomorrow. I want to defer to the applicants. Who was busy talking right now to, to talk through. Can okay, so we'll get to that in a second. If you don't know the timing of the 23 million should we deploy it within the tours really depends on real estate opportunities within the tours. We have been juggling multiple different potential opportunities ranging from hotel acquisition. Some vacant land. We've been juggling a variety of different operas, so it depends on market opportunities within the tours. The timing of the Mary Lee project, I would defer to them in terms of when they anticipate kick starting the project, but it would be at least a year from now, if I am not mistaken, and Walter nodded his head. Probably the number of built units kind of few. In that area. So, I have questions. On

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what we're talking about here yet just on that so on the timing. So it sounds to me like the timing of the 23 million. We just talked about it earlier was about 18 months, potentially timing for Mary Lee could be potentially 18 months if it went with that 23 million. So my question is, if we use bond funds for Mary Lee, what are we talking? What are we talking about? When would we be talking about? Issuing an application process. Okay so multiple things wrapped in their first of all for Mary Lee. They are doing a phased approach. And that's not my question. Mandy my question is I'm sorry. I'm just trying to focus because I heard that part earlier when would the application process opened up? For that, because there's quite a long process for applying for funds. So if so, let's just let's just look at the whole time. And I'm not asking what their process is. I'm asking

[11:21:13 AM]

what ours is okay in terms in order to make funding available , you know when would it open up? How long does that process takes? So we realistically if they were actually selected what are we looking at? We have a quarterly application process. Okay available online for all non profit for profit developers. Okay, it typically takes about 100 days to go from application to a hfc approval. Okay time frame. Okay, the challenge. Is the availability of funding to deploy through Rhoda. As we sit right here about a mile away at the St Jones building. We have housing staff and fst staff and our legal staff talking through the deployment and the spend plan for the 2018 bonds. 2022 I'm sorry. 2018 is all gone. 2022

[11:22:14 AM]

bonds. Our goal is to have the first tranche of those dollars ready this spring. We have other projects that are in our pipeline and need those funds. So we do not anticipate any slowdown in our quarterly application process. February would be our next application opening. I cannot speak to. I don't believe that Mary Lee is ready to submit an application yet, but they certainly are aware of our application process. February and then it would probably go to hfc sometime in may, June, okay, so part of my going back to what we're talking about is on site versus, you know, on site versus 4, 22 verses and lube. Part of my concern is not even even if even if it wasn't Mary Lee that we'd be talking about, I'd still be talking about the same thing because my concern with on site with 4 22. Is we're talking about only 40 years. That is not

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a long time and then we have nothing at the end of that time. Am I understanding that correctly? So I should say so. Our requirements are a minimum of 40 years. Part of our Rhoda program includes a row for right of first refusal at the end of the 40 years for hfc to buy down those units. So there are provisions built in those have been built in for about two years now, for the end of the affordability period for the city, or hfc to secure longer term affordability can would we have an option of securing that right now? So that we don't have a question? In 40 years? We may or we may not do it, and we don't know yet if the does it developer have to agree to go beyond the 40 years or no? Yes so that would be a question for the applicant. Okay so could I have questions? If I can continue on this line real fast, because they keep circulating through so that other people can

[11:24:16 AM]

ask questions, too. So for right now, I would say stay with stay with Mandy. Trying to do is nail down will bring up the applicant a second last questions of the African people what you're wanting to do, okay, I would also like to bring up foundation communities. When it's time, okay, so I'll stay with her right now. Correct my understanding, then is so last question for you. And maybe you can tell me if this is a later question is, I do want to understand. The bonus area. How much additional dollars we're talking about, and I understand that maybe later telling them now if they need to start the calculation, okay? Okay. All right. Thank you. Focus now. On site for 22. Further off site, I circle back and answer another question that was kind of embedded in council member kitchens, even if foundation communities applied in February

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foundation communities and Mary Lee, I assume it would be some sort of partnership. It would not be for the full 23 million. It would be for the first phase of their project, which would be a portion 23 million would be more than we put into any single project. So I do want to be clear that when we're talking about phasing that we are talking about also phasing the money. Over time for an investment in a property. We would not be putting 23 million in two. So that's what project okay, so that's why one reason I wanna later talked to foundation communities there is a there is a difference between putting 23 million towards that project now and the funding that could come through our bond program. It's not the same amount. And the timing is not necessarily the same. Thank you. Cancer pool. Thanks number in 30 years, so we've been talking about the affordable housing piece almost from the very beginning. I have always supported having

[11:26:17 AM]

affordable housing where we can build it and where it makes sense. I have to tell you that subsidizing units on literally on the side, not at 4 22 at nearly a half a million dollars for each of those units is just nuts. I don't. I don't agree with that. I think it's not a good, responsible expenditure of public funds. The value is not there. That's why when I started looking at this I have and when I heard about the possibility of the adjacent property for 22 that seemed like a brilliant offer an alternative. Then when we started peeling back those layers and I think it was council member kitchen pointed out the 40 year. Restriction which extend you an extension of that would require that the landowner to agree to it. We don't know what that answer is going to be maybe. Yes. Maybe no. Who knows 40 years from now. But then the point about the housing through foundation

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communities phased in with portions of the funding coming both from this amount and potentially bond funding. The numbers. The rapidity with which it would be put into ground. The credibility of. Foundation communities as an entity their record. That has put that at the top of the list for me, and so that that's how my thinking on this has evolved. What I don't understand is coming back to the well, if you will. Asking the developer at this point, not and I may be misunderstanding what council member Fuentes is saying, but it sounded to me like she was saying we want both the 23 point . Whatever million plus, we want you to give us money so that we can get the subsidized units at 4 22. That for me is a complete nonstarter. I think that is

[11:28:20 AM]

literally going back to the well and plowing new rows that we haven't we haven't at all looked at, and I feel like at this late moment in this conversation where the vote should really happen today, but that's territory that that feels unfair to me all the way across the board. And then I will just say I appreciate the studious nous and the academic nature of the questioning and everything, but I think we have turned over every rock and every pebble and delved down into the details. We all I think I would bet kind of know where we are with this and mayor. I really would like to moves expeditiously. To a vote on how we're gonna handle the housing peace council member and mayor and I also agree with kitchen and pool. This is a great opportunity for us. You know, we've been working very hard for to build as many affordable units. We know the

[11:29:20 AM]

needs of their I mean, even though everybody's saying it's an emergency, and we know that the way this money is gonna trickle down, you know, and to \$416,000 almost happened million dollars per unit, and we have an opportunity to have a permit affordable housing on a major line. A major line. Do I project connect partners and the possibility of even having them put funding in prayer, affordable housing there on Lamar. It's just it's just too hard to turn it down. And I think that we can't let this opportunity slip by. I know that how we are taxing and we catch. What about \$23,000,024 million a year on her housing bond. I'm sorry. How much money do we get a terrible for on the housing working on the spend plan right now. I would anticipate a 4 to 6 years spend plans, so we it's 70

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was just saying average of \$70 million a year that would fund multiple programs, including Roda Roda. We also have other dollars. That \$23 million. How much? Would that help out? So the 23 million my understanding from one of the mayor's motions? Which I can't remember which one would be. Should you all choose to do the fee and Lou would go into the housing trust fund. Which can be deployed in alignment with Rhoda and oda. So our traditional housing development assistance programs and then there would be some sort of geographic limitation. Put on on the funds are recommendation, of course, would be to keep the funds within the south central waterfront tours, but I have also seen some language, that would enable staff to deploy the funds to a mile and a quarter outside of the tours or a mile and a half

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outside of the tours, which would encompass the merrily. Property. Thank you for that. And mirror. I'm almost so I'm ready to vote on this. Council member. Twenties did you want to say something? And then Ellis? Thank you. Mayor Catherine reports interesting that you use the analogy of going back to the well. This is a policy decision is probably one of the biggest policy decisions that this council will make. And so I think it's perfectly acceptable that we continue to have conversations and knowing that there has been disagreement at the level of affordable housing that we should be requiring for the statesman put. I do think this is part of the process and you know it. 23 million the equivalent of 4% I have always said. I would like to see a little bit more percentage the equivalent of 56. Seven more percent. Total percent of affordable housing commitment. I am am fully in alignment that we should look at offsite option. They support the 23 million P

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and Lou what I'm asking is consideration for the 4 22 properties so that we can get that the percentage level of affordable housing units up a little bit more, and I will continue pressing. That's part of my job as a council member, this is this is a very, rp it again. This is a very important decision. It's the future of our city and I will continue to demand more, especially as it comes to affordable housing. I think that 23.2 million into the housing trust fund is an interesting opportunity here. South. Lamar is a great place for people to have affordable housing. It's near jobs. It's near music. It's near social services. It's near so many great things, and it's not that far from where this site is. This is not in a different part of town. This is a walk away. Between these two different sections, so I don't I don't see this as being so far away that they're not. They're not

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interlinked in some way, and I think at some point today we could argue about this all day long. But we have a lot of work to do today, and I think we should just try to decide something and get on with it. Camera, try and get it to some votes, too. So for me, the \$23 million. Many of them are question for you here in seconds, so don't go too far away. The \$23 million. I'm fine with that number. I think if we start going to rely on the staff, they've done the calibration they brought in an independent third party group. I would always like the number to be more, but at some point we actually have to say okay, this is the number we're gonna use, because if we don't do that, then we can get to any of the other questions. We got to get to the other questions or we're never going to get anything else that we have on our agenda today. So I'm fine going with \$23 million so that we can move past that question and actually try

to start framing this that we can have a vote in the second of the council on whether we're okay with 23 or whether we want to open that up and asked for 40 or 50 or 80 or whatever it is.

[11:34:24 AM]

We also want to ask for. But I think we would take a vote on that the second one with respect to the where it is, I think clearly you've seen a majority of the council is saying doesn't need to be on site. Doesn't need to be \$500,000 to be in that place. I know that your recommendation and Rosie's recommendation has been to put it on site and we've heard that alright. I part of that is probably that we have also given you the instruction to get to 20% affordability across the district. And if that is your job then it's your responsibility to make sure that that you can get the 20% and if we take a big block of this property and say we're gonna put the affordability units for this property on south Lamar are which is a mile or so away with transit, and it's a great location that's gonna make it harder for you to get to 20. So I think inherent in a vote. To say we're going to consider

[11:35:25 AM]

something on south. Lamar is also saying to you, you don't have to necessarily get the 20% that that's a measurement or a mark to get. But I agree with my colleagues that say if we can get twice as many families within a mile of this site for the same amount of money, I don't care how much money it is. I don't care if it's based on 20% or 10% or 40% we get twice as many families. Into affordable housing for an indefinite future. Within a mile of this. I know we have a lot of employers downtown. Somebody who was working downtown could get on that that that rapid bus line on south Lamar and be at their their place of work within minutes. I'm perfectly okay with that. I think we were releasing you from the obligation to have 20% within this three block area . And if there's stuff other action to take, I think the council needs to do that. And

[11:36:25 AM]

make sure that we're not holding you to a standard that you can't make. But for me right now, and I think when we asked the council members to step forward yesterday and say what they want it was a majority of council that looked at you guys and said , we want this opportunity to maximize the number of families. More than being in at at ground zero. That would be the second question then that we would decide. Ah and I think we need to decide these questions in turn. So first, let's decide the \$23 million question. Are we going to base everything we're doing on on the city's analysis ? That \$23 million is the right amount. \$23 million scaling as a floor scaling up if they build more residential units. As it was calibrated. Ah ah, and let's take a vote on whether we're comfortable with the \$23 million so that we can move forward with the next part of the conversation. I don't know if

[11:37:27 AM]

you're asking the question about basically requiring an affordable housing provision of 4% versus a higher percentage. You're asking us to say, do we believe that the 4% equates to 23 million we're asking, are we going to ask for more than \$23 million from this developer for the affordable housing contributions associated with this putt? 23 million as the floor has the floor scaling up based on the number of actual units that are built, so I think the question then whether you phrase it as the dollar or the percentage is whether we're whether we're calculating it appropriately. Whether we're going, however, you calculated different people may have different ways to get to the \$23 million. I don't want

to prescribe how different people might get to the \$23 million because different people may have different ways of getting there. I think the bottom line question is, are we comfortable with \$23 million is recommended by our staff and our third party consultant, or are we not? We

[11:38:28 AM]

have another question. I think councilor Fuentes raises a really good issue about co investment opportunities with respect to housing fund and I think that there's language and maybe an option for us to not necessarily decide exactly how it gets better. Were it gets spent, but to give parameters and then to let these folks then come back to you guys on the council. You know, in the first quarter of next year with different ways to platoon that \$23 million. I don't think we necessarily have to decide it today. If we are deciding today, though, what the obligation is associated with the pod. That makes sense. Rosie, do you want to say something? Council member harper-madison. Thank you, mayor. I appreciate it. You have to forgive me. My allergies are getting the better of me. I think council member Ellis got me sick. So I have some questions that while I can

[11:39:29 AM]

appreciate you trying to, like, send this conversation into a different direction. It. I didn't quite get some of my original questions answered. In which case I appreciate the question about like separating out the \$23 million being lugo affordable housing component. But I do have some general. Other questions about. Excuse me, parkland, dedication fees and some of the timing stuff and so, I'm trying to figure out are you trying to get us to just exclusively decide whether or not we're moving in the direction of the \$23.2 million fee in lieu part right now or all of it right now. 23.2 we have because I do have two more staff questions. Yeah, yeah, yeah. Ah hold on to those questions because I want to make sure that we answer all of those questions. But if we're trying to question thank you 567 questions at the same time. We're never going to move forward will be here in two hours, same place, so we're

[11:40:29 AM]

going to focus exclusively on are we asking for \$23 million is recommended by the staff and our third party consultant. Or are we going to ask for more than \$23 million associated with the affordable housing obligations? We're not deciding where it goes. We're not signing if they're co investment opportunities or how we do that, just \$23 million that's what we're focused on now. Mayor, pro temp so I've been raising this since the beginning of the discussion and council member tovo just mentioned it. Under our pod ordinance, it's 10% under even if we agreed it was 4% it's my understanding that the 4% is not calculated relative to their base entitlement. So even if we agreed that this should be 4% it matters what you're doing on that. Can you tell me what the entitlement with what the requirement would be, even if we allowed that it was 4% and we went off the 600,000 square feet based entitlement and you know, now we're jumping to 3.5 million

[11:41:30 AM]

before the bonus. What would the affordable housing requirement be if we did 4% on that? Always we have not done the math of what would be if it were 4% above the basement was the baseline that you used well. The existing part allows for 607,000 square feet. But did you use the existing pad? Or did you use south central waterfront discussed earlier? We use south central waterfront. And what is the square footage that south central waterfront had you used for the well, south central waterfront contemplated

possible scenarios, but they weren't I would say they weren't real. But rather for the affordable housing specifically allocated the 4. Of the affordable housing. I can't recall what the total square footage was. I can look it up. But I can't remember what that presumes where footage was on statesman site. Okay maybe council member tovo. You can add to what? I'm asking them. I think we can talk about it as

[11:42:31 AM]

the height. The height entitlement was versus what the baseline where you started the baseline discussion, and I'm still waiting mayor before we conclude and take a vote on whether the affordable housing component is correct. I do really want to hear from the manager about the difference in baseline. The height was maximum high was 400, but it had if I recall six high gradients that went from 400 on down within the south central plan. Which is different than what the applicant's question right now. Requesting 5 40, then 33 segments. To go down from 5 40. Maybe another way to ask this is we in the Brodie pod they're doing, you know, 10% off like, what is the difference in how this is being calculated? What is it being calculated off of? Because it's my understanding. It was not done at the base of the entitlements for the existing part. It was based off the south central waterfront, which makes the number of affordable units even if you agree it was 4% lower. It was based on two things is based on

[11:43:32 AM]

the fact that the amendments to existing part and also that I'm sorry. I didn't hear that, based upon the fact that it's an amendment to an existing part. This is and also the south central vision plan, calling for a somewhat reduced amount of affordable housing on this track because the acknowledgement was that this track was bearing the burden if you will. Of the third of it being dedicated as parkland and the right away for Barton springs round. Right but there's another. That's the south central got you the 4% what's the 4% calculated off of different then what it would have been if you've done the 10% of the it's my understanding. What's the 4% of the assumed south central? Square footage, okay, and they're doing more than that. We're doing more than one of the south central square footage just doing 4% of the more than or they only doing 4% of the south central what was what's in the staff recommendations. 4% of the total of what's the applicants requesting right now? Okay council member tells them I'm sure you okay, so I'm gonna jump

[11:44:34 AM]

in here because the two of you asked me a question. I understand she did, but it's got to be more than just the two of you going back and forth and teeming. I want to get this to a vote on 23 as quickly as we can so we can move forward. I don't care whether it's 4% or 10% or 20% there's a certain amount of dollars that were able to extract from this deal to put to whatever we want to. We can put it to parkland. We can put it transit. We can put it. There's a certain amount of money. We can get out of this deal to put the word community benefits. And as a group. We decide what community benefits we want them to be. We've asked for a lot of park land benefits from this track. We wanna ask for less park stuff. Smaller parks less contribution to parks. Then we free up additional dollars to be spent on affordable housing, not recommending that we do that because I like the deal that we've got on parkland, but that means there's \$23 million. The 4% becomes a guide or something

[11:45:34 AM]

that we shoot for in terms of what we're trying to get. But it will always come down to looking at the economics of the deal and our staff coming to us with our calibrate ear's and saying this is how much you can extract from these people. Then we can spend it. However, we want to that's why I'm okay with the 23 because if we go higher than the 23, the next conversation is what less parkland. Are we going to ask for a park improvements are we going to ask for that the example for us we keep have to go back to is when they city sets, percentages or demands or extraction levels for things that we would like without regard to what can be done in the marketplace. We end up with what happened on rain. Because for years people built in rainy and never gave us any affordable units because we had asked for something that looked great on paper, but couldn't perform. Now that was a council before us. They did that, but I'll tell

[11:46:36 AM]

you, I we have done the same kind of thing as a council ourselves. And I wish we had hundreds of more families and rainy street right now planted there permanently than we have. Hmm we either accept our staffs and our third party consultants representation to us that you have \$23 million. Spend it, however you want to or we don't. And if we don't accept that then then they shouldn't be our staff. And they shouldn't be our third party calculators because at some point we have to be able to rely on our staff and their expertise to say this is what the number is. Okay we've got one last round. Then we're going to vote on whether \$23 million is the right number or not. Cancel the kitchen, then council member tovo. Very quickly, very quickly. I just run a remind us all that the 23 million is not the only dollars available for affordable housing through all of this. You know I'm staying.

[11:47:37 AM]

But you all voted on \$69 million in TREs so to your point about the 20. There are other options. Available and so I just wanted to remind people you guys are tovo. Make a motion mayor. But first I just need to say something about renny. We had a moment to talk about this yesterday and you don't have already called the motion called what? We're going to vote on \$23 million or not. Okay but I okay . Let me address that in a minute. But what I have to say about rainy is that the problem with Rainey was not that we didn't get affordable units because we said to hire the threshold. We didn't get affordable units because the affordability period was captured as one day one day. I mean, there was a glitch in the ordinance that didn't require affordability to extend beyond one day until it was fixed. And so you know when that was fixed, and I would need staff to weigh in on how many units we've gotten, but if you look over at rainy obviously, it's not slowing down development now that we have an affordable,

[11:48:38 AM]

affordable housing requirement there, and it's an on site and a fee in lieu and the explosion in rainy street. Much of it has happened after we implemented those changes. So I mean rainy is a more complicated and again it had to do in part with the fact that there was a glitch in the ordinance that didn't actually do it what needed to happen? Mayor I would suggest, and I'm happy to make a motion. I just I think the way your phrasing the question is really unclear, and I would make a motion that says, we should require more than more affordable housing than the equivalent of 4% or 23 million as a floor and just about that, up or down, okay. I don't know whether 4% the right number, not people can come up to the \$23 million calculation. Different ways. I don't want to prescribe for people how they come up to it. The question is in this deal is a \$23 million. We're going to ask for more. Okay let's take a vote on

whether people are comfortable with the 23 main hubs, but floor as a floor going up with the additional residential uses. What is yes, okay. What is your favor and are

[11:49:38 AM]

what is? Yes. And that is what we're voting on that. How do you say if you're voting? Yes. Those in favor. Of maintaining the \$23 million is a floor as what the affordable housing obligation is coming from this developer on this progress as part of the pod, not including the bonus base plan. Those in favor of that. Please raise your hands. I have those opposed to that. Let's see that I have the mayor pro tem and castle castle over to vote. No, the others voting. I we counted. Our council member harper-madison. She was an aye vote. \$23 million is the number okay, now we're done with that. Now let's talk about how we spend the \$23 million I think the next question is, where do we spend it? Spend it on site. We spend it at 4 to 2 or do we spend it? Down street. That's

[11:50:44 AM]

the question and when I tell you down the street no one has suggested that it has to be at any particular one. But we laid out parameters that have been discussed has to be within a mile and a half has to be deeply affordable has to be accessible to transit and that kind of stuff. I think that's a conversation we're having right now. Now we have not heard from the from Mr moreau on this issue, and there was some questions about hearing from him. I don't know if we want to hear from the applicant, but let's focus on this issue right now. Okay? And the applicant as well on this question. Okay? I think you've already told us. Your recommendation is, as you've told us several times is to have it on site. Part of that. Isn't that part of that that you have an obligation to deliver 20% in that area? Part of it is, our obligation to meet the vision of the south central waterfront. Whether or not we've been absolved of that today, I cannot speak to that. Part of it also

[11:51:46 AM]

is a commitment to having all types of housing and all parts of town, including difficult to develop areas. Without a doubt. I know the 418,000. Per unit is a big number, but I will say just in our traditional multi family development now the cost is 275, a unit a door for a stick built construction is just expensive, right? 418 doesn't scare me. And I do think there is value. I understand that a mile and a quarter away is only a mile and a quarter away. But to me having the opportunity to live in this dense transit area right next to downtown in the south central waterfront. I think there's also value that and I think you frame up the issue well. For those people who think that to 78 is similar to the 415. They would go one way

[11:52:46 AM]

for people that see that as a as a as a loss of opportunity to house people. They would feel differently. You want to make sure that we have affordable housing and all areas. I understand that some people would say this is the same area because it's all effectively downtown is not that they don't agree in all areas. They just define the area a little bit more broadly than you do. Mayor the issue Catherine pool, and I just want to say it doesn't scare me doesn't scare me. I don't think it's the appropriate use of our taxpayers money and I don't think it's a responsible decision for me to make to invest that much money for an indeterminate amount of time. It's not sustained. It is not sustainable. And the longer we have been sitting here going through these issues, starting in 2015 and watching how this is all evolved, it is only showed me even more. How sometimes the policies that we create. We can

[11:53:46 AM]

try to call them aspirational, but they somehow get concretized and then becomes a challenge to get to that number. Despite anything and everything, including logic. I think that's an issue here. Thank you, mayor. I would like to, and when it comes time for emotion we can think about how to word it, but I would like us. To remind us that this we are not engaged in a zero sum game here. I would like us to consider the 23 million, to be spent. Or to be designated in the way that the mayor has characterized it in his, in his motion, which is the offsite. And then I would like to be able to say to the extent that there are dollars over the 23 million because there is because of the bonus area. That that could be

[11:54:48 AM]

considered for 4 22. And then I would also like to consider just remind everyone again that there are tourist dollars that could be considered at 4 22 also potentially so but at this point, my highest priority here is I agree with council member pool. My highest priority here is to secure these flu dollars for an area that is very, very close, and I agree with council member Ellis very familiar with this area. It is very close, you know, and and accent I hear what you're saying. Mandy but on south, are I mean, you're virtually downtown. I mean, it's not. There's not a significant difference, you know, in terms of living there versus living right there on you know, at the south central waterfront. So for purposes of that I also, well, I guess I don't know if we need to get into this mayor or not. I don't have an answer to my question of how much more

[11:55:50 AM]

we're talking about for the bonus area are also whether we even have an option to go beyond, 40 years. My decision is not determined of that at all based on the policy issue, I support dedicating this 23 million to the to the being blue in the way that the mayor is characterized it. What if we swapped it? What if we had the base affordable housing provision? Be the 4 to 2 units since they're available now, and this is the question I've been asking to be able to ask the developer representative, but I think in our conversations if I'm remembering them correctly, he represented to me that those would be leases that would roll off within a year. And so those 70 units could be available with any within a year of whenever this is triggered. And then anything in the bonus piece,

[11:56:51 AM]

which is already expressed as a fee in lieu not and we've never talked about it. Well we've never talked about it. But now that we're talking about it, it's only being talked about as the in lieu. Include that piece as the family that would go toward the project. I mean, I think what I've heard you say Mandy is that the best option here is to get both projects and that there are opportunities. Plenty at that that that is a very realistic scenario to have both the housing down the street in Lamar. As well as these units here on site, and so if we swapped what you're discussing, but have the bonus piece, be the fan liu and get those units at 4 to 2 right away. I think we I think we really won and I would invite Mr subtle up to ask, ask him if the developers still committed to the 4 to 2. And how soon those units could be available. Because that was part of part of why you presented it as an advantage that those units could be available and nobody

[11:57:52 AM]

would need to wait for them at the statesman and again. I appreciate you raising that alternative. I think it's a great one. So the overarching concept is we have to have a project that works. For us to be able to meet our obligations for affordable housing. When we first started talking about the idea of 4 20 to our understanding was the tours was going to be approved and the funding was going to be appropriated to the things that the tourists said they were going to do. That's the only way our project works. As the conversations morphed. And rightfully so. We realized those funds don't get appropriated till time in the future. So we've come up with a trigger. Whether it's the 23 million or the units at 4 22. The trigger would be within a year after we all signed a contract with the city, saying the city is going to do what they said they were good going to do. We do what we're gonna do now, within 12 months, we'll have either units

[11:58:53 AM]

at 4 22. Or the \$23 million check. There's nothing question I was asking is with regard after that triggers meant after what you had said you had indicated that the units at 4 to 2 would become available as the leases were up for renewal. And so that within the course of a year, those 70 units would become available regardless of when the trigger happens, but but is that still accurate? And do you stand still stand behind the proposal to do it to do the units at four to, you know we're not going to throw somebody out if they're at the end of their year lease. And they need another month. But yes, but yes, but within within a year or so. Is that still a proposal that the developer is willing to do? Yes. And so colleagues I would make a motion that we have the units be at 4 to 2 and then allocate the bonus area to the

[11:59:53 AM]

fee and Lou piece that we've been discussing to invest in another project. Is that a substitute two month the motion I made just a second because I already made a motion right and understand that it. I think the threshold question for us to decide here is whether or not we want. The first question is whether we want it to be on site. The reason I say that is because if we want it on site, and it has to be part of the study. Decisions that we're making today. If on the other hand, we make the decision that it doesn't have to be on site in the pod. That we don't even have to make that decision. Today we can if we're able to and we can certainly put it to a vote. If we could. We could also ask the housing folks that come back to the next council in in February and say you've turned up \$23 million is a part of the pod. This is the spending plan that we would advise that includes some 4 to 2 at finds Walter

[12:00:53 PM]

moreau's first phase of his thing with the understanding that the direction from council is we're not putting it on site. And we consider ah things to be within a mile and a half a mile and a quarter sufficiently close to within this, so don't don't the emphasis should be on a number of units, reach of affordability and speed, getting it on the ground within a mile and a quarter. And I wonder if we don't need to decide whether it's 4 to 2 or phase one or all of the phases of vulnerable. We're asking council the staff to come back. Really fast with a recommendation how you would spend the \$23 million. So my question for legal is, can we can we adopt apart? That requires the \$23 million contribution into the housing trust fund or wherever it needs to go with the understanding that council. This next council

[12:01:54 PM]

will quickly decide how that \$23 million is spent. The only thing we're taking off the table is they don't have to be on site. On the property. In fact, they won't be on site on the property. Patricia link with a lot department. To be make sure that I understand is what you're asking. Does the ordinance need to say where staff is going to spend the \$23 million? Yes it does not. Okay so we could today move forward with the pod. Just having made the decision that it's not going to be on site. In this pod, so therefore the part thing can move forward because we're not asking to put anything on site we are putting in the obligation to pay the \$23 million into the fund. And then we're giving a direction the counsel come back to us and tell us whether you want to invest all that money and 4 to 2 whether you want to invest all that money and Walter moreau is complete project whether you want to come back with a combination of those things. We don't have to decide those questions now. Is that possible?

[12:02:58 PM]

Yes the concern would be once the part is approved. If 4 22 or an offsite location is not. Requirement or an option for the developer. Then the only thing we get is the 23 million and they don't have to negotiate with us on 4 22 draft around that. Can we say that \$23 million goes into the deal and into the fund. And the property owner the part as part of the pud document is agreeing to make 50 units or whatever the right number is and 70 units in 4 to 2 available. Ah, add. Whatever 23 million years, divided by 70 units. And the city has the option of electing to spend all of it or none of it in 4 to 2 and that way as part of the pod, the this developer has to keep that option open to us for

[12:03:59 PM]

election by the next council over the next six months or something. So I think the way we would probably draft that is that the applicant can't satisfy their obligation to provide affordable housing until we have negotiate until we've until we have determined well, they have to make it an option for us. And so the question the issue is making sure that the money is not because once the money is paid if there's no obligation to negotiate, then we only have the money, which is an option. I know I'm I'm trying to work through it to make sure I understand. The if the goal is for the landowner to negotiate with the city on a potential lease of units at 4 22. And then. Depending on how that goes. I mean, I guess there's potential . We may not agree or they may not agree once that process happens. The way that the,

[12:05:04 PM]

affordable housing obligation is satisfied as through payment of the 23.2 million. A little bit different I was saying is part of the pad requirement. They're obligated to put the \$23 million into the into the trust fund on whatever the trigger is that we've negotiated on this other deal, so that trigger set they have to do the \$23 million. That's one obligation under the pod. The second obligation under the pod is that they will make 70 units available up to 70 units available in 4 to 2 at \$2.3 million divided by 70 units. And that choice is entirely up to the city to elect up the 70 units. That the city has to make within a certain period of time. That doesn't work. Okay never mind. Everyone's shaking their head. No at me, counselor pool than

[12:06:04 PM]

Castillo kitchen and cancel October could you remind us what the initial motion that council member kitchen maid my original motion was the 23 million floor would be, would be allocated offsite within the parameters that were was in the mayor's motions and that anything above that amount, the staff would work to included at 4 22. So I think mayor at this point because of how much time and detail we've all invested, we really do need to settle that question here today. We'll take council member kitchens vote. Is there a second to that road? All right, so let's take a vote on that option. What. Tovo wants to amend that motion for him. And I am I am persuaded that you may have an answer to move us forward, and that's going to

[12:07:04 PM]

require me to ask a question of the staff. So you've already drafted the section about about having 4 to 2 on the lake as an option. Is it possible and this may achieve with the mayor was saying to leave that in there. And have it be as an alternative with part C on 14. The landowner may satisfy the on site affordable housing, etcetera, etcetera. Or. The landowner may satisfy them with the sections on the lake. And then have the next clause B. Something. That I think you have before then. That the director of housing and planning she'll make that decision. And the next council if that's what we're pointing it to the next council to decide the next council. Can provide direction to the manager to provide to the housing. I think that might be the way to achieve

[12:08:04 PM]

what you were describing. Okay for me. I'm gonna remember kitchen has made it a proposal. You're making an amendment to council member kitchen asking you if that satisfies what you were describing. I mean, I would straight up by substitute motion would straight up 4 to 2. If we want to try to preserve the opportunity for both, and I think what I just described as the way to do that, but I'm happy to make a substitute. Motion that we require that we require the affordable units be at 4 to 2, as described on page 15 of 24 section D, and that the bonus area described later in the document, be the peace, the fee and Lou that would go directly to the affordable housing trust fund so that we have some units there. Nearby immediate more immediately available and that the bonus area the dollars that would come from the bonus area later on, would be the fee and Lou piece that could be invested in projects. Outside of clear there's an ordinance draft that has been given to us already. And there's one that says, hey,

[12:09:05 PM]

if you want to put it on site, use this language if you want to do it in four to use this language if you want to go outside for two to butt in, but in the same area used this language what I understand, council member kitchen, saying in her motion is, let's say we're going to do the third choice. Ah language with respect to the 1st \$23.1 million, but if they do under their 3.5 million square feet more units than then what is currently shown that additional. He and Lou proportion of being Louis soc ted with that would be spent on 4 to 2. Yes that's what I'm saying. I also okay, so that was her motion. Council member toe. Oh is suggesting a amendment to that. And your amendment is what basically swapping them. I would point out that I think the

[12:10:06 PM]

challenge before, he explained. I want to understand what it is them that mean that the affordable housing provision that is part of their 4% with the councilors agreed to be a 4% gets spent in 4 to 2 not

being spent because we're not. We're not buying those units right where they're fulfilling their affordable housing 4% requirements buying them where we're taking the \$23 million and we're putting it towards that. Yes okay, then the fourth? Yes. Then then how you described it. \$23 million would be fulfilling their affordable housing 23 million equivalent. So let's put that to two and then any money in the bonus piece. Would be invested in other projects. Okay so we have an amendment. An amendment? We're gonna vote on the amendment to the amendment. Just saying Kathryn pool, if I could speak to that, my guess is that staff will never come back and tell us to spend the money anywhere else except for on the waterfront district. That's that they've been consistent in their

[12:11:06 PM]

support for that. We are trying to make a policy decision that veers away from what the staff has consistently told us so I am not willing to then turn it back to staff to give us another recommendation that would likely aligned with where they are standing in front of us is the amendment. The amendment, which is to say the \$23 million get spent first on 4 to 2, and if it goes up above that, because the floor is going up above that we've got then. Housing authority would then come back and tell us how to spend it. That's different than counselor commission council. Kitchens. Initial one, which was the floor 23 gets spent otherwise in the bonus gets banned for 22. That's what we're going to take a vote on your second. We're gonna take a vote first on the amendment to the amendment that does not pass. Then we're gonna take a vote on what council member kitchen proposed, but I need to correct council members, a second to council member. Tovo motion. The amendment to the amendment. Mayor pro tem seconds

[12:12:07 PM]

okay? So to clarify council member pool the money from the bonus goes into the affordable housing trust fund. It is not. I don't. I don't know that we can presume where the staff I would suggest we put it. I assume that's going to be a council decision for the next council. We're ready to take a vote bulk of like to speak to it in my motion is about trying to create housing. In this area nearby. Sooner than we might if we're investing in another project may I speak? You can. Okay. Just two points. I'd like to make and the reason I appreciate what you're wanting to do, council member tovo. But the reason that I can't support that I just want to explain that is two things first off. We have no no commitment that, that those units at 4 22 will last past the 40 years. And that is very concerning to me. Because I don't consider 40 years to be a long time and I want something

[12:13:09 PM]

permanent. That I can count on. And then my, my, you know, my second concern is that, well. Yeah that that is. My primary concern is that I am I am going for certainty here on what I think will be a long term will be a long term 100% affordable housing in an area of very close by that is negligible and indifference in in in location. From my perspective, we also have no assurance that that it's significantly faster or even faster to put those those units at 4 22 on the ground that it is in the mechanism that we're talking about. So that's my reason. I appreciate your reasons also, and respect him, but that's why I can't support it. Let's go ahead and take a vote. Okay? Thanks for raising the point about the timing. I need to clarify man. Do

[12:14:10 PM]

something you said earlier. When you were answering the question about the 40 years. I thought you were answering the question about when we invest in other projects. If we were, for example, to invest in the Mary Lee foundation projects when you were answering that question, were you saying that it's a 40 year that our agreement there would be 40 years too, and at that point, it would be a right of first refusal. Or was that an answer about the 4 to 2? That it would be 40 years with the right of first refusal. So our standard Rhoda agreement is for 40 years. Minimum of 40 years is our requirement. Not in perpetuity. I'm sorry. Perpetrated council members interpreted. However I should note that Walter moreau last time he was here stated that their commitment would be for 99 years so but our standard in our policy guidelines is a minimum of 40 years. Okay, thank you. Ordinance as well. Pieces criteria in just a second. Those

[12:15:12 PM]

in favor of council member tovo is amendment to the council member kitchens. Motion. Please raise your hand. I have the mayor, pro tamil council member tovo. Those opposed. Please raise your hand. It's the balance of the diocese that doesn't pass. I abstained from that right? We have one abstention. Two people two people in favor. Eight people opposed and one abstention. Does not pass. Thank you to Santa council member kitchens. Motion , which is to say, let's do it. Ah ah! Ah offsite. And any additional money above the 23 million when it scales up shy of the bonus goes to 422. If it's available, and if not, then they would figure out how else to it wasn't shy of the bonus. It included the bonus if there is a bonus. Those in favor of that. Please raise your hand. Ah those

[12:16:15 PM]

opposed to that. Tovo as opposed those abstaining on that. That's the mayor pro tem. So I have that passing at this point. All right now, everyone, everyone look at motion sheet on one second. I want everyone to look at motion sheet number two. That I handed out. Motion sheet number two talks about how the money should be spent. Right so we've all agreed to start the first tranche of money is not going to be spent either on site or on 4 to 2 but offsite so the criteria that we had for that was ah, and this builds off of the language that the staff gave us for that option. But we've had a criteria to it. So it says the fiend Lou maybe utilized within a mile and a half of the project boundaries on the major transporter with mountain transit. Infrastructure partnership with an organization's track Wright providing deeply affordable

[12:17:15 PM]

housing. Are we okay with that criteria, we want to change that criteria in any way. Let's take a vote. Those are is everyone is any. Let's take a vote people okay with that criteria, raise your hand. Anyone have a problem with that criteria? Council member tovo says no to that criteria, so that would be our criteria. You want to speak to that, and it's the same. Comment I would have made a minute ago. So yesterday this council took a vote to invest. In the tours. To help create what was envisioned in the south central waterfront plan. And what? And now we are in a position of on the dais without and I think it would be necessary to bring an action to change this component of the south central waterfront plan, but a big reason. You know, one of the big areas of focus was to create affordable housing in the south central waterfront, so we now have a project moving forward without the requirement

[12:18:15 PM]

to create housing in this area. We have comments on the dais about not creating it within the waterfront. And there's been a council action to invest what would otherwise flow into the general fund as dollars that we're now going to be investing, to create to create and help build out a plan that is not even going to create. Housing for all kinds of people in this part of town. It's going to be luxury. Now we're investing dollars in infrastructure for an area that's probably just going to have high dollar luxury housing. Except for what we might be able to achieve on one step on one Texas, which where these dollars applicable could be invested there at least okay? And I think. I'm sorry. Well, right. So motion sheet number two that has a language and I

[12:19:16 PM]

agree that it can suharto that stuff might need to be cleaned up in the future. With respect to the agreements are gonna do that here today as part of the spot analysis. Let's think of vote on motion sheet number two. Now there. Which I think we just did. You know, I gotta pee. Give me a second. Caters. Do it again. Motion sheet number two someone want to move. Motion sheet number two. Cancer pool moves that motion the whole thing there. Second today council member Puentes. Second that motion. This is the one that says \$23 million as a criteria to do it. It has the trigger language. That the jury took us through before in part, 12 ah E and it takes out the other sections that were the other two different ways of funding the affordable housing issues. This is effectively what we voted on before we voted on the first half of we didn't vote

[12:20:18 PM]

on the trigger part of it. Okay, so the first half of it we've already voted on as a council member. And suggested we vote on it again. Okay? We're gonna vote. We're gonna vote. We're gonna vote on the whole thing. We're gonna vote on motion sheet number two and moved in second favor, please. I have a baby should be heading out right now. Yes. For the printed out of what? The language I spoke of earlier for the trigger language. Find a little bit where I headed out right now. Okay for section 12. So you're saying you're it's not the trader language that's shown here on 12. What's being handed out now? Yes, it's whipping hand out now. We what I spoke to earlier right now. The version I have we'll talk about public facilities contract, so I read some language earlier. Would replace that and that's being handed out right now. Okay? It's the same concept. It's the I think you're talking about part 12 E. Yes okay, she says by

[12:21:18 PM]

accident. Alright, so alright, so. Jerry is proposing an amendment to motion sheet number two to replace part. 12. 12 E. Okay what's been handed out to us as C but that really what should hand out? You should say paper. Yeah we're getting at the end of the diet so we can't just changing need changing three more copies? Objection to Jerry's and Tricia's amendment changing the trigger. I haven't read it because we don't have it at this end of the diocese. Are there more copies of that coming? The landowner shall pay \$23.2 million upon the earlier of one within 12 months of landowner executing an agreement

[12:22:19 PM]

with the city and the former acceptable to the city attorney to construct the Barton springs road extension. Any related Barton springs road and congress avenue intersection. Improvements identified

in the T I a memo dated December 13th 2021. Or as amended, and associated utilities necessary for these road improvements or the city dedicated funds to reimburse the construction costs for these improvements. These improvements may include any related road utilities are related infrastructure. That's the trigger. Anybody have a problem with the eagles, putting in Richard. There's one piece of that change since we all discussed that. And that is the trigger was the city start construction of those facilities and that changed to now the city is allocating money, and it has a may instead of a shell. And I can't have a situation where the city allocates money for a sidewalk and then asked me for my 23 million so that may at the end should be shall and then we're good. It's meant to

[12:23:23 PM]

reimburse construction costs for these improvements. These improvements. Shall I? The apartment. Yeah we're fine with that. Okay so in that last sentence that may become shall Trish when? When the original discussions were on this, there was one if there's an agreement for the spending of the funds that's executed. Then that triggers it. We also wanted to address the situation where we had an agreement that was ready for them to execute it. For whatever reason, they decided they didn't want to execute it. In the city, then began the construction. The second choice was a city does commences the construction on the improvements. Mhm and then the third one that I think you've added here. Probably numeral number two. Is the city dedicates funds to reimburse the construction cost dedicates the funds. All right, so can we add a Roman numeral three? That that adds an additional option. Which is. Ah

[12:24:27 PM]

what we had before, which is. You want to use the commencement of construction of construction improvements required by the transportation impact analysis. Or commences construction. Thereof I think is what I would say because we've described above. Or. Three the city commences construction there of does that work? Yes, okay. Anybody have an objection to that remember being polluted, tearing down that amendments included program. I just have a question, since this has them paying the money to the housing trust fund. If they were paying it to made it to the foundation would get a tax deduction that they could then provide us more affordable housing. Mandy says no, that's what. They very well

[12:25:31 PM]

could I assume they would get a tax deduction? You know, they went Walter saying, no, but the steps strong staff recommendation is not to identify a project or an entity but put it into the housing trust fund so that we can administer it according to the policy that you all laid out I understand that and I was I was just I would. I was just just asking whether there would be another. You know, several million dollars money if there was a way to structure it. That way. And but I guess they can come back and we can amend it if we need to write that opportunity exists. Then everybody would Amanda, because everybody does better. All right, so we have no emotion sheet number two as amended. Party was fixed. Ah those in favor of this amendment. Please raise your hand. Those opposed. Ah! The

[12:26:34 PM]

mayor, pro tem stains council ever. Tovo is off the dies, the others voting. Sorry. Councilor Caravella off the diet. The others voting? Yes is amendment passes. Okay we've now handled the affordable housing

component work. The. I'm looking at what is left to be decided. We've done the altar. We've done the str. We've done the affordable housing let's look at the bonus provision, okay? Okay. The bonus provision has been handed out to you colleagues. It was handed out to you. It has motion sheet number one V two. Is that the correct one? Version she one B two. The bonus area. Ah! It's part 20. Is that correct? Okay? Yes just clarify. I have to that

[12:27:37 PM]

same motion one V two and one has the stricken language and one has affordability requirements, language. Okay motions. She won beat too. It's the one that has, and I apologize for that. What's been posted now that one of the women has ah 10% of built area above 3.5 million is actually the operative one. And if you look at the top of that, if you take that B two at the top and turn that into V three that's really what's it should be. So motion sheet number one V two that has the 10% of built areas. The second paragraph. Should really be motion sheet number one V three and that has been retyped with motion. She'd be three and that's been posted now. And sent out. All right. So is this the language we want to do that affects the bonus area? Yes

[12:28:38 PM]

mayor. It tries to take the elements of the downtown dancing bonus would be applicable and apply it to the to the additional square footage in the box area. So what this does colleagues with it was the issue we talked about yesterday or were using the affordability standards of downtown. Bonus plan. As we had said in the resolution passed kitchen. Just a point of clarification. When reading this together with what we just passed when it says, alternatively, a fee in lieu maybe paid for the same that feelingly Lou would have to go towards 4 22 because this language says build on site, which I'm fine with, or, or a fee and Lou but I just want to clarify that that fee and Lou would go towards 4 22 because that's what we just passed. Can we add? Can I make a suggestion

[12:29:39 PM]

? Yeah under the using the vm you as an example, there's language in code that says that the city elects to spend money. In the development so we would use similar language if there's additional fee in lieu under the bonus program, and the direction is to spend that at 4, 22 or staff goes somewhere else. Then it would require them to give us the election to lease the units. For the bonus square. For the bonus program for the feet, using the fee and Lou dollars. So if there's additional fan lugo. That feeling blue money would be the city could elect to use that money in 4 22, which is similar to what we have another. It's just part of this bonus money may not come until the tail end of the project. Say okay, this could be 5 10 years from now. Okay for 22 would still be available in 5 to 10 years. So I think we need to put

[12:30:40 PM]

in language says yeah, I was available or something. I was just trying to protect it from the family being spent some place because we don't have any parameters here for this being lugo. And I was trying to make sure that it wasn't just going to go into the housing trust fund and be spent someplace that wasn't even anywhere near this. Do you see what I'm saying? Yes we could just say first priority would be for 22 if available. And if or maybe the election language that the treasure is talking about. You could. You could have language that says the city may elect to use the money at 4 22. Or the city can use it. Within

a certain radius or service area. Whatever the areas that you want to cover, would rather say shall elect to use for 22 if it's available. Okay? Used for 22. If it's available, yeah. Second if not available, then use the criteria we sat for. Ah! The amendment.

[12:31:43 PM]

We just passed. So that way, if I'm reading it correctly, you could do it either on site. You could do it in lieu. If you're doing in lieu, you would do 4 22 of available and if not, then you would default to the other. Does that make sense? Wright. On site. Being blue. Alternatively afeyan Luke could be paid first priority is 4 to 2 if available , if not available than the preferences. Using the same criteria that we just had. And the one we passed within a mile and a quarter. Deeply affordable. Yes and the third priority is helpful for us a priority. Okay? Mayor pro tem. So I want to make sure that I'm understanding the bonus because we're adding the potential to 200. Beat of additional height awareness is written. It seems like. It's not clear to me that

[12:32:44 PM]

if they go above the height that is allowed whether they have to start paying the bonus or if this is based on the square footage across the pod. And it seems like there's a difference in intention. I think your intention was if they were going above the. The height limit that we currently have and providing can only go above the height limit. I'm not with the voters that way. It sort of says that they can do that. If you know? They provide 10% of it above the 3.5 million. But if they. You know, even in the first building . If they went above the height limit, they should have to be paying for more affordable housing. For that height. Above. The current levels, and I'm sorry, I don't know how else to say it. So we want to make sure that the part 20 bonus area the additional height square footage

[12:33:44 PM]

is tied to the affordability program, is it. Did you see what I'm saying? So if they don't if the height if they in the very first building if they choose to build a building that maximizes the height, so it's what's in the pud draft now, plus 200 ft. They wouldn't be at 3.5 million square feet, and so then they wouldn't have to pay. The bonus, but they would get the height. And you know we are. We are. We are. Busting with the south central waterfront had said in terms of height and other things here quite a bit. I think your intention was not trying, so I don't know how to fix it to make sure that that if they go above 200 ft, they're doing it associated with the affordability program. And if they go above 3.5 and if they can't go above 3.5, and they can't go above 200 extra feet, almost so to be clear, so if

[12:34:47 PM]

they build one building that exceeds that gets the additional height. 10% of that square footage. Of that bonus area. Would be required. Would be the 10% built area up to 3.5 million , so if they spread it across several buildings once they hit 3.5, I'm sorry. No because they have three point sorry when they when they as they. So he wouldn't count the initial height of the building the part up to the 200 if they haven't hit 3.5 million square feet, so if they anything above that height is subject to the affordability requirement. Anything above 200 ft subject affordable requirement. Anything in excess of 3.5 million ft. Is subjectively affordability requirement. Whether they go greater of where they go additional height or not. If they go above 3.5 ft. The extra square footage is subject to affordability if they go above

[12:35:48 PM]

200 ft. If they go above the base height up to 200 ft. That is also subject to the affordability requirements. I don't know that it's cumulative, though. So like if you if you were like, if you don't get charged, twice charged twice for the same square footage, but but it but you shouldn't be allowed to do the extra height and the first building before you hit 3.5 million and not paid. See you in there agreed housing, so I think that would be once. Once they build out 3.5 million square feet. Any of the other can't go above 200 anymore and you stop and we give it on each building within that. 3.5 million square feet separate things. To several things. If they ever go above their base height. Anything above their base height is subject to affordability. Okay? Period they

[12:36:49 PM]

go above their base hided subject to affordability. Second if they go above 3.5 million square feet, whether they have additional height or not. It's subject to affordability. Mayor if I may, and I hit the complicate this a little more, but can I add a third one that would say above 1378 units? That would make sure that we're not having that for problems. We understand that cause I think it goes back to the question we had before they have 1378 units of residential right now, but also has them doing a hotel. Yes, they decided in the future. They don't want to do the hotel. So their number of units goes up above 1378 units would say. 1500 units, Wright. They could do that under their pod. Yes right . Yes it does. That's not bonus . No it's not. And so what I'm asking is do we want to add that as bonus because the 23 million figure was derived from the 13 17 23 million figure needs to be

[12:37:49 PM]

drafted into this so that that number everywhere you see 23 million it needs to say 23 million parentheses. I think he's saying that the 13 78 includes the 70 affordable units that we have now. Etcetera offsite. And so now they're getting to build those units on site. I'm just saying is that if what is this area I'm trying to avoid is if 13 78 23 million is based upon the 4% of the 13 78 member. That's how we got the \$23 million and, you know, hypothetically, there's a scenario where they could pay the \$20 million check sooner rather than later based upon the trigger mechanism that we already discussed. If in the future they decided to build more than 1378 units. Then they would always additional money. Because they've already paid us 23 million. But we would say that those are that's more than what was presumed in the 23 million. And what I what I'm asking is that can we add make 13 78 part of the bonus provision. What I'm saying is if they go from 1378 units to 1500

[12:38:52 PM]

units because they decided not to do a hotel, they're not entitled to any bonus. But we also wouldn't get. Because we were saying earlier that that their obligation for \$23 million is just a floor. It could go up. If they decided to build more than 1378 units. So the way to structured right now we would not get the additional money. You need the bonus program. To get above 13 78. So if it if they build a 1500 because the way it's crafted right the calculation that they did. Assumes 13 78. But that was an additional amendment that we made a note. We have to double back to because I thought our earlier conversation said. \$23 million is just floor. Forget bonuses. 20 day if they don't build a hotel. And they decided to build residential in that space. Their obligation is no longer \$23 million. It's

[12:39:52 PM]

whatever it is above \$23 million. Based on the base pod provisions. I agree with 23 millions of floor. I think what this is trying to do is to create the mechanism to go to go above the floor if they go above that number of units. In other words, they don't increase over three ft. In other words, there's nothing in the pod. You know, we have the three options that you spoke about in the pod so they don't go above 3.5 million and they don't go above their base heights, but they have more than 1300 units, then they'd have to pay for those for those units that have to pay the bonus. There has been a bonus. They have to pay the affordability, the non bonus affordability provisions, the food provision to different going back to the original original 4% scenarios. We need that amendment to they could decide not to exercise any bonus. And that's what we were

[12:40:54 PM]

talking about. And I think you may have been in in meetings while we were talking about that on the on the desk, but but we had talked about doing that beginning. Is there a problem with us doing that? What we had talked about saying was, we based everything on 23 million, but we recognize that if they do have the ability to build more than 23 more than whatever those units, number of units were without any additional height without any additional square footage. They could build more units if they wanted to. And if they did, they owe more more money. They're gonna owe more park fees. They're going to go more. Okay so we have we have a standard for the park fees. We do not have a standard to calculate what that additional fee would be for those units, but you did that it would apply the standard accordance of you will be part of the code would apply correct. And correct catch them up. When we had the conversation earlier, Mandy indicated the dollar amount per

[12:41:56 PM]

unit something like 4 18 or something like that that would be used to calculate the additional. Does that make sense, Jerry? I'm talking about Republicans at one time. So so we do know that number right? That we know the number that they're contributing. It's. It's \$23.1 million divided by 1478 units, 8800 so if they go above 1478 units still maintaining their heights dough, maintaining their 3.5 million square feet. They're gonna have to pay more in parts. They're going to pay more in in in affordable housing contribution. And that's consistent with the ratio of 23.12 14 78. Yes it would be the same 10 and 80 number. Yes, so that's within the regular pot. The bonus provision as separate and apart from that if you go

[12:42:59 PM]

above 3.5 million total square feet. Or if you go above base height in the pod, which by the way is captive dome greater than 200. Ft but if you go above the base height than anything that you build above, 3.5 ft or anything that you build higher than the base height. Is subject to this bonus. Yes bonus name there above exhibit D so it would be 200 be anything above the heights are laid out in the put ordinance. Which okay, so maybe what that means to be is and or instead of an end. Where where? The concept here in in that part, 20. Should should have them. Going back to mayor pro tem initial question. Where is the language that says that

[12:44:00 PM]

if they go above 3.5 million square feet or if they go above base heights? They're subject to the bonus provision. Yeah. That's finished. Yes, everyone. I had one other question a second, which was it's related to this, okay, because it says as per the fee schedule at the issue time with the issuance of the certificate of occupancy. Right now. I don't think any of our bonus programs are anywhere near for 18. Anywhere near what 418,000. So I just want to put a pin in that that we need to figure that out. And then it says as per the schedule at the time of the issuance of the certificate of occupancy, which presumably was for like the downtown density bonus, but I just want to flag that. We don't actually have a bonus that's anywhere near the 4 18. Cost and so we should just decide if

[12:45:01 PM]

there's anything we need to do about that. We may not, but I want to I wanted to flag that. And then if we did it earlier tied to the 4 18 if we were updating our fee schedule, and they took 20 years to build this out, would we want it to be tied to the 4 18 or the new schedule? Drafted whichever one is high, drafted it to tie it to the downtown density bonus, which is what the resolution asked us to do. I understand we could tie it to the 4 18. My suggestion is one though. I think that creates an issue for 18 was tied more to what was the available dollars in the project that we could get. We could spend our parkland we could spend on affordable housing. If we did more on parks than the 4 18 number would go down if we did the last. It's just to put the level of extraction that sure if that was being used, like when they said that if they do more units, they have to pay more. At what point is it for 18 versus what's in the schedule? How do we know

[12:46:02 PM]

what that number is grabbed? That's related to this section, but it's the additional square footage that falls within the 3.5 million. If it's residential. Is treated as all the residential under 3.5 million. So I have to give a proportionate contribution. The bonus. On top of that. Is going to be calculated consistent with the downtown density bonus. Okay? Mayor can I clarify? Yes so for the bonus area based on what you're describing for the developed the development to either for a building to exceed the height. Or for the development as a whole to exceed 3.5 square million square feet. To get that. You have to give us the additional. Affordable housing, correct. Okay so we would we would need to modify this somewhat to reflect that so

[12:47:02 PM]

that it's basically your you're going. To give us the bonus if you heat hit one or the other. All those standards correct. And that way we can apply it to your point. Mayor, pro temp to each building. Right, and then it's not I mean, if I'm the first building they do above they do they do the extra 200 ft. And then on the fourth building, they had three points. Five. Million. I don't think you count in that total the part that's above that's that 200 ft because they've already paid it. That makes sense. Yes, yes. The bonus square footage doesn't count against the 3.5 million square feet. Castillo tovo. Over time. I'm not sure if we got a question and answer to your question that I thought you were asking or one of the questions that I thought you were asking

[12:48:04 PM]

about. When what fees are we going to use to calculate this? I would assume that the downtown density bonus fears would be the most recent at the time of at the time that they're going through, not

fixed in time as of today. Council member of the language that we attitude said that it would be the downtown density monastery. In effect. In the fee schedule at the time of the CEO for the building. Thank you, and then I wanted to ask our staff back to the back to the question of the possibility of increased residential square footage. Within the existing but before you get to the bonus area, we've been talking about it as a dollar figure. A pro rated, appropriated increase based on the dollar figure that's assigned to each unit. I wanted to ask our housing staff if it makes better sense. To have that be a square footage. In case we end up in that bonus area, having just extremely over large. Penthouses and things. Which which may very well be the case. If you're going up that

[12:49:06 PM]

high that they're going to be very, you know fewer units with an increased square footage. So how can we ensure that? How can we ensure really the best the most accurate calculation of what? That bonus square footage I will have results on to law about that, but I'm assuming that we would mirror what we do with our downtown density bonus. Another density bonus programs. In terms of either like for, like units or some sort of provision around sizing. I'm sorry I mixed. I mixed things up. If they change the hotel to the residential, okay? And that increased residential ends up being much larger units. And you're using the same formula. And the formula is based strictly on the per unit cost rather than a square footage cost. Should we? Should we instead direct that directs that the formula that you use is actually one based on square footage rather than the number of units for any increased residential beyond what is

[12:50:07 PM]

beyond that 13 87 outside the bonus area. That the mayor is talking about, like put aside the bonus area, but they change a hotel, too. A condo development. Should we really be looking just at a unit per unit cost as the formula for figuring out the increased affordable housing contribution, or would it make better sense to have a square footage? I need to go back and look at the mps study that was conducted in terms of the methodology. I believe it was on a per unit, and there were assumptions based on the unit size if you give me sure. Because of the unit size, you know if the unit size in that new building is three times the size of the unit size. In the ones that that were that mps evaluated then that's that's problematic. I'm having the weirdest flashback of being over there listening to a conversation that Brewster Mccracken and Mike Martinez were having arguing just this point. Whether affordable housing density bonus should be unit based or square footage based, but but it is it's an important

[12:51:07 PM]

point right because vary so let me go pull up the mps study and I can get that information. Okay. Thank you. Okay? Subject to that point. Are we okay with motion sheet one V three. Subject to that point may or may. I just make the direction that we come up with a square footage. Formula come back and tell us what we're thinking. Is that what you checks? Let's vote on motion sheet one V three, subject to that point on unit or whatever's or second to that motion. Catherine 30. Seconds that those in favor of it. I just want to be clarified that it includes the changes, and it includes the changes that we discussed. Okay? Favorite. Please raise your hand. I'm sorry. We just discussed meaning the adding the height. It was. It was differentiate between how if you went above 3.5 ft and includes the changes. Yes, about rickets reinvest first in 4 to 2 if it's available, if not, then

[12:52:09 PM]

the same criteria. We use perspective, proximity and the like. I believe the priorities language as well. Council member tovo had to be off part of that conversation. I just want to make sure she knows that we adjusted this part so that it's on site. Or if it's off site for 22 is the first priority. Because right now, the language just says be influenced. During that period. Did anybody ask the applicant whether they're going to continue to honor that offer beyond beyond this. That's why we said if available. We didn't ask because we could be 5 10 years from now. Could be totally different ownership, so it's really it's really. I mean, it's a wishful hope that okay, there's some stuff they just couldn't guarantee. All right. Those in favor, please raise your hand. Those opposed those abstaining. Mayor pro tamarind comes over. Tovo abstained. The others boating I with harper-madison. Off of the desk.

[12:53:11 PM]

All right. I, and she voted me now. Voting yes, apologies. I didn't realize that it was still off. I was trying to spare you all my sneezy face, but I didn't realize my cameras. So if I was an eye so it passes with two abstentions. Alright so that gets us out of the bonus period, subject only to the unit versus other conversation. Ah I think we've handled everything except the hotel. Is that correct? Have we addressed the public? Funding issues. Yes Cathy's, do we have language? On cancer tovo is public funding questions. You do, man.

[12:54:27 PM]

Mayor what? We're getting adjusted. Can I ask you a question? I'm just sort of what you're anticipating the rest of the day looking like it's 12 54. And I think the meat of some of the things that we're going to discuss today haven't been taken up yet. I'm I'm a little worried that what have had planned logistically is not going to shake out and because I made obligations to the people in Port Arthur that I promised to, you know, be a certain time and all that. I'm really just trying to figure out how best to maintain my obligations all the way around here today. So are we. I think what are the chances that we don't cover everything thing today and you're thinking ? I don't know. I? It's a good question. I'm not sure we know exactly the answer. I think that we've gone around on 55 56 so many times and I see no emotion sheets that I'm not sure it's going to take us long to resolve those. I think we just have to take votes. But I think a lot of the questions have been kind of resolved. Ah council member

[12:55:27 PM]

tovo, I still haven't had a chance to look at your base motion on 36. So I'm still not gonna be ready to vote on that today. Because I haven't seen it and we've been doing this other stuff this whole time. What okay, it's super short. It's been posted. I mean, the elements that are left in it posted almost for get to a vote on 36. We can get the vote until next week, but I think it's we could take him, but we either postponed 36 or we'll take a quick vote on 36. And that gets us then to Austin energy, and I think they're working on that. And maybe they can come back to us with some good news that makes us have to spend a lot of time there, too. Mark Kelly after we discussed this before we go on to the next topic if I could have just a few moments to say a few words. Sure. Thank you. Sure. I'm sorry. Are you saying potentially to postpone 55 56 or I don't think so. I think that we're I think they're

[12:56:28 PM]

Teed up that we can get through them pretty quickly, okay? I don't think there's a lot still at issue on those okay, so we have language has been handed out to us. Kathie is this language? Look okay to you does it? Okay? The applicant. Are you okay? There's this meet your intention to give me a minute to read it. Let's say everyone's reading it now. Are there more copies? Because we didn't seem to get a copy it down here. Didn't get a copy of it. No. Neither chito or I did. I mean, mayor. It's totally totally different. I haven't read it, no, I mean it's

[12:57:32 PM]

entirely. I mean, I appreciate I really appreciate that. Everybody's moving quickly. I think if I better understood, I'm not sure that I heard. Concerns. I mean, I guess maybe we had some concerns from the applicant yesterday about what was in there, but it's but this is an assertion of yeah, assertion that the that the part is exceptional to what could be required created under conventional zoning, and I mean it's a the issue yesterday, the ambiguity in the language that council member tovo half was the question about if there was something that we all agreed was being paid for by the turd. But there was an argument that it was otherwise required in normal non food situation required to be built by the code. We wanted to make sure that the terse still paid for the public funds paid for it. That we weren't going to disallow and anticipated. Turns expense to no longer be a turns expense because someone made the argument that it was otherwise required under the code. That's

[12:58:34 PM]

sad. We also wanted to make sure that all the things that the applicant was proposing. As being superior. Thus entitling the applicant to get. Things from the city. We wanted to make sure that the African was going to be paying for those things. And not getting public funds for them, because if the applicant wasn't paying for those things, it was no longer the deal, big man. Yes mayor. So we have an exhibit R and having trouble pulling it up? That we need to show you but what we focused on council member tovo is what are the land owners obligations and tried to take the focus off of what the city's obligations are because the ordinance doesn't regulate the city. It regulates the landowner, so we wanted to be clear as to what the landowners responsible for and that those things that that the landowners responsible for is part of the superiority element. That is required to pass a putt

[12:59:36 PM]

. So isn't it, isn't it? What we want to stay here? Just a second sense dropped the first sentence. And the second sense says the council finds that the parties superior to current entitlements into the development that would occur in conventional zoning because the letter is funding infrastructure communities showing exhibit R and assuming that that exhibit R, which we need to look at is the list. We just say and the applicant when I get public funding for anything that's listed in exhibit are or we could just say real simply the applicants not gonna get any public funding for what's it listed exhibit art. Mayor the concern that we were trying to address was one that because because there are multiple different funding sources discussed. There wasn't there was an interest in making sure that the applicant would not be would not be turning to the city. For support other from the tours or from some other source. For things that they had proposed that they needed to do to beat meat code or to fulfill.

[1:00:37 PM]

Some of what they had proposed. And so that's not really covered. That's not really covered by saying we understand they're paying for these items. I mean, it doesn't hit the same concern. What we had talked about yesterday is adding on something really basic. That said unless identified. As projects that will be funded under the terrorists keeping what we have in 21, just saying and the law department and respectfully, the law department is concerned about referencing things being paid for out of the tours and the ordinance. We're trying to focus on what is the landowners obligations? And not what the city may use other funds for to do it. It's to focus on what their obligations are what they're contributing to this. So that's one of our concerns. So even if it exhibits are is a list of the things that that the applicant is paying for. If it's the list of the things that entitled the

[1:01:39 PM]

applicant is superiority or otherwise, we have all agreed the applicants going to pay for, isn't it just a simple to say all of these things in the attached exhibit are the applicant will pay for without public. Support public financing or public monies. The simplest way to do that. And I think Kathie Burt over that might be the complete way. Here's the list of everything that they have said they were going to pay for that we're counting on they've obligated themselves to pay for the promise they're going to pay for. The applicant will pay for all these things without getting any public support. Okay I mean, I would. Certainly I would certainly expect them and I think the community has a right to expect them to pay for anything that they need to do to comply with current code. Which may not have been identified on exhibit are if that's if I if I can, let's just clarify if there are are elements. And changes they need

[1:02:40 PM]

to make to their project to comply with current code. Who would be responsible for those costs. The landowner would be responsible for what their code obligations are okay. And anything that they have described in this pug. Should be. That is that is a costly item. Should appear on exhibit art to the best of your knowledge is everything that we've been talking about? I can run through the list while we wait for the exhibit to exhibit are okay, the or the things that they agreed to pay for. Just also need legislation need. We also need the list of the things that it's anticipated that Thursday is going to pay for. I think what the law department is saying is that they don't want us to have that conversation and the ambiguity very right, so it's a different way than to hit the ambiguity because we don't want to have people arguing about whether or not this thing that we've all agreed that tourist is going to pay for it.

[1:03:41 PM]

Is something that the applicants should be paying for. I understand. And what? I'm trying to let me walk through the list. That's on the exhibit, and we're trying to get the exhibit out. I'm having technical issues. Investment by owner internal streets. Open space, shoreline restoration, environmental superiority and 1700. Linear feet of reconstructed hike and bike trail. Open space plaza public park access improvements, open space estimated parkland fee and Lou water quality rain gardens and underground cistern enhance fat viewing areas on the property that will include signage, educational elements and cameras for virtual about viewing and education. Provide and maintain 2000 square feet of vertical Greenwall within the public rights of way. Private streets are open space areas that received more than four hours of sunlight and will either be composed of vine and mash or a living wall system. And then we have a graphic that goes with it. Sorry, Trish. Did

[1:04:42 PM]

you say this is posted as backup for today? We have been working on it and we're trying to get it. You're going to get it their struggling. I'm struggling. I should say. Yeah. I don't know that. I don't know that. My staff and I are going to have the capacity to kind of read through this, so I just want to again establish kind of a legislative record. To your to your knowledge, and then the other staff who are working with use knowledge. These are all the items that we've discussed. As being important elements within this project. And having landowner. Pay. For yes. And if and if, for some reason, one or two have been missed? I assume that the staff will come back as quickly as possible to the new council with an amendment to the pub to make that to make that picks if we need to. Yes okay, super. Thank you. Okay with that said, are we okay with passing the statesman? Part part, 21 amendment has been handed up. Objection. Here hearing none. That is put in we put it in as

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it's written. I mean, the first since I don't have any objection to. It's just a statement of the truth is the important thing is the attachment of the exhibit are so any objection to that going in 21, then I mean, if somebody else makes the mission, that's fine. I mean, I'm I can't stand by. I'm my intent was not to kind of have a statement about the blood being superior to current environment, entitlements and other okay, so I think, can we? Can we take part? 21 take that language that says the part. The landowner is funding. The elements listed in exhibit are without public support. The landowner shall pay for the items listed in exhibit are without public support. Landowner funded infrastructure and community, and many of these shown in exhibit are are are the

[1:06:43 PM]

landowners responsibilities without public support. I would probably leave it at just at the landowners responsibility solely the landowners responsibility solely the landowners responsibilities. Okay? People okay with that language. Okay, that comes in for 21. I think then that leaves us just one last item, and that's the hotel issue. Castillo Fuentes. Oh thanks, mayor. I believe my colleague counselor. Harper-madison also had amendments. So she could lay herds out first would be a substitute to her amendment. My apologies. Council member Fuentes. The timing is really terrible. So there's about to be a loud noise in the background for me. I need about a three minute delay. A mayor as the chair. I'm not sure how you want to accomplish that. We can do that. Let's take a three minute break. Let people go to the restroom. Appreciate it. Or I

[1:07:44 PM]

could do you want to wait till this item was over? That's fine call. Do you want to say something? Well it is one oh, seven, so it's a good time. As many of you know. Today is the graduation ceremony for Austin, Travis county M S and I'm still very proud of the cadets who have completed the training needed to serve the Austin community in the highest way possible. Unfortunately we as a council could not attend today because we're in session. I'd like to issue a special congratulations to chief Robert Luckritz and the entire M S executive and training staff for this great achievement. You should be immensely proud. In 2022, this graduating class is stepping into a profession that is being asked to do more now than ever before. It may seem daunting that you have to walk straight into such a situation that's challenging, but as anyone who is called to serve others in their time of need already knows. Challenging times are when lives are saved and when lives are changed. This is your time to rise to the challenge. Think of it when responding to a motor vehicle

[1:08:46 PM]

collision or a mass casualty incident. You're not the one responsible for the incident, but many are relying on you to help make things better. We are all relying on you to help make things better in our city, and we know every one of you. Cadets are ready for the job and willing to rise to the challenge. And as you begin this new chapter in your career, you may look to others to guide and mentor you. Know that those of us who worked in public safety and emergency management want to share our knowledge, skills and guidance with you. Our doors are always open for your questions, concerns and comments as to how we can make E M S better. We'll need to work together as we fight hard for what we need to be able to keep our community safe. And we must all support each other so that we can continue to support those in our community who rely on us in a time of crisis. Congratulations cadets on your achievement today. You're now part of the Austin community and we're thankful to have you will do great things. Change lives and make the city a safer place to

[1:09:46 PM]

live. Welcome to the city of Austin family, and we look forward to supporting you as you set out to serve our city. Thank you, mayor. Thank you and thank you for giving those comments on behalf of the entire council. Because we all feel the same way. Thank you. Let's get a two minute break for restaurant will come on back.

[1:18:29 PM]

Alright, guys, I think we're ready. What okay? Council member. There's some lunch in the back room if you want to get it and bring it back out to the dais. In this last five minutes. You might wanna go ahead and do that. What. Just one slight amendment to the item that we just discussed. It turns out an exhibit are there's a small typo. Okay on a second.

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Let's wait till we get the council back. Some people have died. Someone just take another minute or two. And once we vote on intent for us to be able to take care of this amendment, and I think we have the hotel question, and I think we're done with the part. We're going to have an executive session real fast on 55. 86 angel. 56 hopefully, we can come back out of that and take a quick phone. We're preparing packets right now that I have 55 56. The motion sheets. A red line of those motions. Ct. You can see where they are. And a master sheet of all the planning commission amendments and other things. It's what we've been posting, but we've been updating has we've been want to creating a month. I would suggest you go back and grab lunch right now. Bring it back out to the desk. I

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want us to take it as much as we can together because we'll lose people here this afternoon. Thomas. Jess. We keep looking.

[1:23:17 PM]

Are we ready to pick this back up? Alright, we ready. Like to know, and I don't know if we really need to vote as we're making notations meeting here. Jerry Richards drove faster and this is I can continue the December 1st. 2022 city council meeting. 1 23 once you can. I don't think we really need to vote here. But I want to make sure the councils were of a mistake in the exhibit that were just speaking of an exhibit are there's an exhibit that shows the investments for the owner will be making in the pot at list one through seven. You know things such as internal streets to bed viewing area, etcetera. It also has an accompanying map that shows where those, items will be located and inadvertently the legend for the maps that public investment by owner it actually should just say investment by owner and of course, we're gonna add related to part 21, so inadvertently, in the legend of the map, the word public was put in there. All

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right. Protection of that it's worth publicly coming out of that language. Any objection publicly coming out of that amendment. Hearing. None network comes out. Alright that gets us back to the last issue, which is the hotel issue counsel harper-madison. Thank you, mayor and colleagues. I appreciate the, the patients with brief delay. So my motion on the hotel item, so I wanted to move that the hotel motel remain as a permitted use. As per staff's recommendation. And then I have some commentary. But that's the generally that's the motion. Alright. I suppose I'm looking for a second. Yeah, mayor. You guys are secondary. That's right. Four seconds at let's have the conversation. Go ahead, browsing. Thank you. I

[1:25:18 PM]

appreciate it, so it's my understanding that the hotel uses really a critical piece of the puzzle for this project. Just when we're thinking through how it all pencils out. And so I'm fully here and empathize at. You know that I'm having some difficult decisions to make your today and this is one of them, you know, because I totally understand and empathize with the unions. Concerns I do not believe that those are issues that we can solve through zoning them. So I wanted to say I'm fully remained committed to standing with the union. In their, valuable and continue to fight for a contract that supports and protects any and all workers who end up in any future hotel on this site. But I would like very much to have that permitted. Use be a part of the consideration. I don't see the equation shaken out without that variable. You have to have weathers. Mayor like to offer a

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substitute motion, which I handed out yesterday. And my motion would be to amend part eight. I can get a second. To do what. This would make hotel motel use a conditional use on the property. It would also require that when an application for a conditional use permit is filed at the landowner shall provide written notice to unite here or successor organization, and that this notice is provided least 10 days before the planning commission hearing. Is there a second to the amendment? Because of the kitchen. Thank you, mayor. So and I want to thank my colleague counter harper-madison, especially when you said your sentiments about standing with the union on this matter. This amendment is focused on ensuring that we have that we have proper notification when they're when this development does select a hotel operator and that they go through the process of notifying, and letting us

[1:27:21 PM]

letting planning commission now thereby letting us know. And of course, having those conversations with the union as well. Okay? Further discussion. Because of our kitchen. I think I'll council member Ellis had her hand up first. That's fine. I see. Council member Kelly has her hand up to this is this has been a really hard struggle. I think for a lot of us to figure out the right pathway forward. You know, but after all the years and hours of trying to figure out how to get the best use of this property and all the other details. We've been deliberating today. I'm concerned that there might be a position would be and where there's no good jobs for a hotel type of use, and I want to make sure that we do have good union jobs. But that we also make sure that there's actually work to do and that we can make sure we are proud of our tourism industry and the people who keep it running, which are the folks that work in it every single

[1:28:21 PM]

day. And so I've I've struggled with this a lot. But just seeing that there could be a situation where the finances don't pencil out, and we are worried about how the community benefits are going to be delivered to the community. After all of this deliberation. For today, I have to support it being an included use but certainly support the unionization of it if and when the time comes and we'll be there right with people to make sure that the jobs have you no good security and safety measures in place when that moment arrives. Proficient. Well, my thought, is that, that I think this this, ah, motion from council member of Fuentes kind of kind of strikes a balance that seems like it works to me. Because it makes it it's allowed as a conditional use. And but it puts in place a process the process that we have for conditional use that allows for that conversation. And just make

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sure that the that the union is included in that conversation, so that lets that lets there be a conversation that is ah, that can focus on the circumstances at the time. And we'll also have an understanding of you know which hotel might be interested, and even if there is a hotel interested at that time, so in a way, we're allowing that conversation to happen. At a better time. And in a way that allows for some protections for the union to be able to participate in that conversation. And so that's why I think this is a good balance. I put a lot of thought into the issue of a hotel in this site. And I think I've spoken previously in support of that happening because it seemed to me it seems to me to be an appropriate use of that that

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area. And a good way for the city of Austin to share the proximity to the river. In a in a setting that spins off significant hotel occupancy taxes, so I'm really glad that we're back to talking about having a hotel on this site. I'm a little bit, concerned over trying to use this issue in the head. Scripting or the regime to force issues that are unrelated to in my mind to the actual creation of the pud. And for that reason I do not support the conditional use peace and do support council member upper Madison's motion to allow simply allow the hotel to happen. I think the other pieces will fall into place. I think there is an understanding in our city. And I speak as a member of a union that we value union. The reasons

[1:31:26 PM]

for unions and the protections that accrue to workers by way of that mechanism, and I think that if we were to ask the parties here, they would agree to that as well. No one is I would are. I don't think it's too

far to say that. The developers are looking for ways to harm or abuse or take advantage of the workers who will be either building on the site or working on the site. So I support council member harper-madison based motion. Thank you. Thank you. I've previously said publicly that I believe that a hotel use is, great use of that site. We are a city with a high level of tourism and events that occur here. And, so I'll just leave it at that. I think we need a hotel on that property for sure. Councilor kitchen. My

[1:32:31 PM]

concern is we have no mechanism of it to carry out our policy. On our policy relates to our we have lots of policy provisions in place. With regard to, union participation. And that includes our hospitality workers. And and you know, we have a you know, longstanding and more than once , have we specified, certain union participation and worker protections. As a matter of policy when we do things, we don't have that in here. And what this does is, in fact, this even stop short of actually stating that we expect ah, that we expect, some, you know, for hotel use that we would expect the hotel er to, you know, to work with the union. We have nothing written that does that.

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So all this is doing is allowing for a conversation. It certainly allows for the youth. Certainly allows for the use. It doesn't dictate. What kind of, you know, conversation happens with the union. But it's our only mechanism at the moment to protect the union and with all due respect, council member Paul my understanding is that the developer and I'm happy to ask the developer to come up, but they have not agreed. To the kinds of concerns that the union is raising. So that was the reason for this provision in the first place. We don't have agreement from them, and they don't know who their hotel er is right now. So I'm under. I'm understanding why they don't but unless they can tell me that they are willing to put something in place right now. That speaks to, how the union can be part of the conversation . Then I don't have any mechanism for ensuring that that policy is carried out and I can't just trust it. So it seems

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to me that the conditional use policy is a good way. To just say we're going to have that conversation at a point in the future, and that's really all it does. Thank you before we go to the applicant, counselor harper-madison you raised your hand. The mayor. Yeah with all due respect, council member kitchen, I just wanted to make sure to remind us to keep to keep higher. I know we're losing council member Fuentes it some point and I didn't want the applicant to come up and for us to extend the dialogue. I wanted to make sure to be very clear. I appreciate the notice component of council member went councilwoman francaises. Motion but I do have some hesitations around some of the other language, including the conditional use component. We just wanted to be permitted. And I think council member kitchen to your point. I appreciate having a mechanism that's like you know a part of the protocol but also to cancer. Remember pools point? I mean, we're stating publicly right now what all of our intention is behind.

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The hotel component. I just don't know that it's appropriate necessarily for us to build into the public policy. Some of the considerations around the hotel they the union and hotel piece, so the codification of that in this particular piece of our policy, I don't know that this is the appropriate place to do it. But I certainly am saying publicly, you know? I appreciate what your concerns are in and hope that that's a

level of commitment that we can get. The notice component, especially, and won't really dig too much into my concerns around unite here or successor organization like some of that getting real specific there gives me pause. But but I do understand and appreciate the desire for there to be some notice to the union. The applicant one addresses. If we're running into time constraints for. Just keep

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going. I want to say something to other people who want to you want to say something to the council? Maybe like you, the developer and the owner is supportive of workers' rights. And in no way wants to. To get in trouble with workers' rights or in all the things that protect them. But there's not one place in the land use code where unions or labor is mentioned. It is not a criteria for a zoning case. It's not a criteria for a conditional use permit. It's not a criteria for any kind of permit. It is not appropriate. To inject a labor issue into a land development code. Now that's one thing I want to say second thing I'm gonna say without hotel as a permitted use in this project. All the work that we've done so far is out the window because we've said over and over. We have to have a viable project to have a viable project. We have to be have certainty on and on a hotel use. And we can't have the uncertainty of a conditional use permit. And finally, a

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conditional use permit is an automatic at least a year delay of this project. That means that's a delay of the affordable housing. That's a delay on the park's. That's a delay of everything else. And so what we're asking today and in fact, were so strong about it. We, we I've got a valid petition drafted to say we will not accept. I prohibited user conditional use. It's just that important and it's just what we can do, though, is we can provide notice. The minute we know who are hotelier is and we can stitch it into the pad within within 10 days of picking a hotel, you're subject to industry or whatever we may be subject to will let the city know in the city can let whoever they want no. And then those people can contact the hotelier . We're fine with that, but we have to have it as a permitted use. Thank you. Going back and forth on this and this one's hard. Because I would want the

[1:38:39 PM]

city to use every bit of leverage. It has in order to be able to expand what workers' rights and I think that we ought to be trying to find every opportunity we can to be able to do that. I think that's one of our core values. Here in the in the in the community. My concern is and I think it's been expressed by someone colleagues that I'm not sure that this is the right tool to be able to do that. When and this is something I wouldn't have talked about explicitly, except for the explicit conversation for the way this happens on the dais. When we put in provision. That grant zoning or don't grant zoning on performance of an act. We run the risk of having a contract. So any violation. It would have been better if we had all kept that conversation would have been our heads so that it wasn't out on the diet, but it's out of the diet. And now out on

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the diet. It's just not something that I think legally. We're entitled to be able to do but I would I urge the council to try and find ways to use leverage that we do have or to incentivize as we have done in other situations. The behavior we want and I really applaud you and commend you for being one of the most significant champions on this day as helping to ensure that we do that. Whatever and wherever we have

the ability to be able to do that. Castillo tovo. A couple of questions for staff, but I want to say, you know, I think lakefront zoning L zoning, talks about different uses as being more appropriate or inappropriate and so you know , as I see the suggestion from council member Fuentes of making it a conditional use. It's also

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about how about the kind of land uses are that are on that track. And whether whether hotel is exactly what we want in that spot or whether whether residential is preferred or some other kind of use. And I agree with you, council member Kelly. We certainly have lots of tourism and lots of need for hotels here in Austin, but we also have had lots of big hotels. Build here and open here in the last few years, so you know, I'm not sure that there is a high need for a hotel there, and I think it's not a bad idea to have the planning commission. Take another look at that. And I also share the support for the union that my colleagues have expressed. Mr westhoven. I wanted to ask you a couple of questions just to kind of get back to some of the things that that Mr Suttles said. Would you estimate that a conditional use permit adds a year to the project. I think I think it depends on how they do it just kind of two ways to do it most everybody does it accomplish second way. And that's actually do it with the site plan itself.

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There's a way you can split it off and just have the land use question answered and under the engineering later that residents they take twice as long as most people avoid that. But I think that the say it adds a year. It certainly takes a year to get a site plan through the process if it has a conditional use permit to go with it. I don't know if it adds to it, but I know that the total time would be at least a year. Right, but I but it could take that long. Without a conditional use permit to just get your sightline through. Could. It just depends on the complexity of this pipeline. But but the added element at the end of having to, you know, notify have a public hearing go to the planning commission possibly go to counsel on appeal. Definitely it's time to for the process. Okay. Thank you. Another question that I've forgotten batmobile. Maybe it'll pop up again. Calvin Fuentes. Thank Brodie. Mayor pro tem then Casper Fuentes. So. I think it's

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you know our hospitality workers. Deserve good working conditions. I think we all agree on that, this is not like. The land development code. This is apart and it's discretionary, so if we chose to include this, we could technically, from a technical perspective. I'm not hearing that the votes are there , but I but I, but I don't know that it is a given that you cannot I cannot do it. The way that Mr subtle suggested. This is a this is a. Unfortunate situation where we have just said you can't live in this place and we can't because we've taken the housing and put it off site. And now we're saying that we're not able to find a way. To secure the workers' rights. That's unfortunate. Yes, my friends, which closed that let's take a vote. Thank you. Thanks, colleagues. This is really a

[1:43:45 PM]

simple motion. This is not about saying that there's not gonna be a hotel there. It's just about saying it's a conditional uses establishing a process so that for those of us who are strong champions of workers' rights that we have our union at the table having those conversations to me, it's a very simple choice and I appreciate the consideration. Can't take a vote. We have an amendment to the to the motion.

Those in favor of counselor point is amendment. Please raise your hand. Council member Fuentes Bella kitchen. Ah mayor pro tem and tovo. Those opposed. Please raise your hand. Ah! 123. 123456 balance of the dais. The amendment is not pass on a 5 to 6 vote actually like to be voting as abstaining on that one. I think the order is a little okay, and it does not pass on the 55 to 1 vote. Ah!

[1:44:49 PM]

That will vote. Then on because we're harper-madison motion? Yes. Because we like to encourage my colleague council member Fuentes to add your notification pieces to the amendment that's on the table. I think kind of counselor. Harper-madison just strikes the hotel as a use. But. It strikes it as use it as a prohibition. Okay prohibited use so, but I don't think that she had the notification pieces and as I understood my conversation with Mr subtle this morning, I think they are. Well, I don't want to represent it, but I would. I would think we can ask the applicant if they can feed in, meld in there some requirements for notifying unite here. About the hotelier. Yes if we're able to add that haven't an amendment drafted or if I can provide that direction? I am a little

[1:45:49 PM]

worried. So I do have to step off the days here in a little bit future like that's the concern that I have council member for this, and I would consider that a friendly amendment just in case my colleagues are curious. I'm comfortable with the notification piece. Okay so the language. You're asking what you're asking for notice of during the site plan process when the site plan is filed that there is a notification requirement that the landowner landowner notify council and unite here about the site plan being filed. Councilor. It would be. We could notify council that would be unusual, but I think that we could notify if a site plan has failed on the site that has a hotel as they used. We can notify, unite here or successors. Okay? Now we're not going to be responsible for giving notice to a third party. We will give notice to the city of Boston. Prior to filing a cyclone harper-madison. Shaking

[1:46:50 PM]

your head? Yes can we can we add language that that's that's what I said earlier. That's the commentary that I made earlier. I'm most comfortable with that notification coming directly to the city and then us being responsible stewards of that information, but the party is not is the part that I didn't agree with that. I do agree that the notification is appropriate to the city of Boston. It's important to notice out can we add? The city will take care of that the city will notify the whole of the flight plan is filed. Four hotel use the city will notify, unite or their successful any objection to including that into counselor. Remember harper-madison motion. I just have a question. I was wondering if there was any kind of idea of what type of expense that might incur upon the city to do. I think it be minimal, minimal. Okay thanks. Notice or email or phone. I'm just really quickly my conversations earlier about this item with Mr subtle I thought it was that they would be able to frighten notification of a particular company. I mean, it's possible that they have a site plan. Without the company.

[1:47:50 PM]

I think is that possible? I mean , I think it's really the name of the person the name of the company and the contact that needs to be conveyed. Which is that what happens at site plan in this case, or would that be coming at a different stage? It could be at any stage. But where you could stitch in here will provide you notice for our site plan. And subject to any India's that we have. We have to be within those

timeframes will let you know of the hotelier as well. Okay, so add that when he says you it's the applicant letting the city no. Of the hotel your as soon as it's able to do so without a prohibiting N D. A yes, cancer. I just wanted to comment to council member Kelly's comment about the how much it would cost. You brought a good point that I've been wanting to put on the record that would like to know how much are notifications mailers cost like the one that we just did for compatibility that we send. I'd like to get a price estimate on that as well. I just had no

[1:48:50 PM]

idea in being new. I figured it was a good time to ask so thank you so much with those amendments included those in favor of the Harper medicine interviews. Raise your hand. Those opposed. I'm saying that as being unanimous. That gets us to a vote on the part in its entirety. Legal everybody ready for us to vote on the pattern in its entirety. Okay? Yes. I just want to make comments before we vote. I'll be quick, okay? And remember, we're losing council members here on the agenda. I'll be I'll be. I'll be really quick, so first of all, I want to thank council member tovo for her hard work. On this part in the south central waterfront overlay because member tovo you've dedicated 11 years of public service. And you don't always get the credit that you deserve for your work and service. So thank you. So many have benefited from your hard work, and I wish more would take the time and consideration to benefit from the Winston that

[1:49:50 PM]

you've cultivated in that process. I know you and your staff has spent innumerable hours work and improve this project, and I know that it hasn't been easy. I also want to acknowledge the work of the whole diocese for efforts to improve this project as the south central waterfront plan lays out this area provides great promise for our city, and it is an appropriate place for more density. In many ways, though, arpad process for large projects like this feels very broken. They often become contentious and I really feel that our community believes that the public interest was well served by the outcome. Public confidence in our decisions matters. And while this proposal has improved from where it began , in my view, the bar from where we started was so low that even with those improvements, I don't believe we have public confidence that the council has achieved and now come that merits approval. In some way that's a failure of the process itself. But in other ways it's unique to this project and how it fails to deliver on the promise of our vision for the south central waterfront. I want

[1:50:50 PM]

to be clear that one can believe that this is an appropriate place for density and not believe that this project delivers on its promise. I think we are allowing for a significant increase in development rights, nearly a 600% increase in square footage. And the community benefits don't sufficiently match the amount of private profit that we are facilitating with this project. The tourists creates a funding mechanism that I find to be problematic and from my recollection, one of the central elements of the creation of south central waterfront plan was to support the creation of affordable housing in this high opportunity area. And now this major project benefiting from both the tours, and the pad will dodge that benefit and responsibility. So as much as I've tried and I know that there have been improvements. This project today has not earned my support and I regret that we were not able to achieve more. Thank you. Castillo tovo. Thank you, mayor. Pretend for this for those kind words. I appreciate it. I am in the same position. I'm not gonna be able to support

[1:51:51 PM]

this part. I entered today thinking boy, if we could shift to back to 4 to 2 and get those 70 units, I was going to re evaluate whether or not the benefits balanced out with the what my colleague is rightly described as their real increase in entitlements here, you know, I think there's a lot that's good about this project. I'm excited to see the redevelopment. I think it is a good place for increased density. I think the parkland is going to be terrific. I look forward to seeing this area of town redeveloped and this is going to be a signature project in the midst of it. I wish it were also going to be a place. That I could say. Was was had led to the creation of housing for folks who weren't paying market right or what are what are likely going to be very high dollar prices and I think that's unfortunate. I don't think that's a real success in our first step in the south central waterfront. So again, I appreciate all the conversations. I really appreciate all of the housing advocates and park advocates and many many other community members who have provided their

[1:52:52 PM]

wisdom and their time and their energy and lots of volunteer efforts. I do agree with mayor pro tem alter that it's an improved project than it was when I began. I think we will. We will see a good development there. But I do wish we had those affordable units, not a family and more of them. Anyway. Thank you. Kitchen. Just quickly . I appreciate of the efforts of council member tovo and thank you, mayor, part time for those comments. And, I am going to support this blood, although there are areas where I would have done have liked to obtain more. Value I do think it is valuable. I as you know, we had a very respectful conversation. I think about our approach to affordable housing. From my from my perspective, this this does carry out our goals to for

[1:53:52 PM]

affordable, healthy and high opportunity areas. I understand that we have a difference of opinion on what that should look like. And I respect that difference. But I just I take issue is characterizing. This is not is not coming forward with, with, affordable housing in high capacity in high opportunity areas because it does, but I would I would share the concern I would have preferred additional higher levels of affordability. So I share that concern also, but but in balance, I think that this is, a project that I can support going forward. I think that this project like all the pads, we negotiate, and quite frankly, a lot of the deals that we negotiate. Ah require us to make sure that we are exacting from the property owner every penny we can for the community benefit. And we have to. We have

[1:54:54 PM]

to do that. That's our job and our responsibility. We have to come up with a process that is more transparent or more open. Or a process that leaves both the council and the community feeling better about the calibration elements. And again , I would repeat the suggestion we're making now for several years, and that we have somebody on staff whose job it is to do nothing but calibrate and do nothing but coming to council and saying based on this deal, and these finances and this pro form of this is the value of what you can exact because this council can't determine that number. The council can then take that number and say we want so much of it in parks and so much of a housing. But that threshold number we have to be able to establish in a way that has greater trust. And faith. Both on this dance and then and

[1:55:55 PM]

then the community. Take a vote. Doesn't pay for the part. Please raise your hand. Councilor novella kitchen. Harper-madison. Alice Fuentes Renteria. Pool and myself. Those opposed it's the bear pro tem and package tovo. And abstaining is council member cali. So on 18 to 2 to one vote. The parties approved. My colleagues. Let's see how quickly we can take care of 55 56. It's going to begin with an executive session which will do virtually honestly gets member harper-madison is not with us here physically. So counselor not going to close session to take up one item per cent. 55171 of government code council discuss legal issues right and 56. Without objection. Ah, in.

[1:56:59 PM]

In two or three minutes. I'm going to go up to my office and turn on the computers. You might get people together. Tovo we've had such a flurry of amendments on this. I don't know if we had talked last night about trying to get a handle on that and we didn't end I could use a handle on that before we go into executive session, so we're gonna be here. We're gonna be handing out right now on the diocese. You guys could come forward. These are all the motion sheets coming from the mayor pro tem and me and has a list of all the planning commission amendments. Right and it has a red line associated with those if you are otherwise bringing an amendment to 55 56. Can you just identify that now? Yes Katherine. Alice thank you, mayor. I do have, one for item 55 about short term rental. And on 56. There is another one on short term rentals and then a

[1:58:00 PM]

third one that is about the unit. Threshold that I've handed out here on the diets, taking the unit threshold for compatibility from 12 to 17, and that would be in line with the missing middle. The missing middle thresholds. We just set for site plan light at 16 units. So there's three sorry. How many for could you just say like one for this and to for that one, I think we got we did get one motion sheet for 56 from you just distributed and then you have to for 55. I have two for 56 1 for 55. Yes, dear ones yet. They have been emailed out. Okay? And the str says prohibited str units in the bonus units or the affordable housing units and then the other one could forms the number of units to what? We just didn't missing middle does anybody else bringing any other amendments council member kitchen? Yeah,

[1:59:00 PM]

the mayor and I know we want to use move quickly, but it is confusing, so we're gonna have to take the time to go through it so I have two amendments. Both of them are on 56. You should all have them. One relates to the relates to affordability levels. And then the affordable program. And the other one relates to the and it's been passed out. And the other one relates to the quarter. The larger quarter the depth that it creates an exception for very limited purpose, and that one's been, passed out. Also. Okay I'm sorry. They're both on 56. I have two on 56. What deals with the wraparound track and one deals with finding additional funding to subsidize units. Right, okay. Anybody else bringing any amendments on this

[2:00:01 PM]

that we know about at this point, I have four. They've all been submitted, but I can print on their own 56. Okay 56 year, 55 being the commercial, residential and commercial. That's right. 56 the mayor, pro Tim and and council member kitchen. Both have amendments to my amendments, which I am fine with

both of those. Yeah, okay. Yeah okay. Marbella has four amendments passed mine out is it is a regular. We'll figure it out. So I passed out my amendment to his amendment, which is simply adding a touch point. On the process, which he's okay with, okay, actually. There's all the amendments looks like we have. It looks like all the amendments that we have. I believe just to recap. Mayor we have. To master lists one for 56

[2:01:03 PM]

1 for 55 from you. We have. And the mayor, pro temp thank you. And then we have from council member Ellis. Two amendments on 56 1 amendment on 55 from council member kitchen. Two amendments on 56 from council member of L. A. For amendments on 56 from council member alter mayor pro tem alter an amendment to council member villas amendment. And from council member kitchen an amendment to council member of Ella's amendment. No for me. There's two for me from me on 56 years incorporating it into yeah, I don't have one on 55. Okay we also have questions that from council member of Allah for executive session, which is where we're just about to go do now and we have nothing else that we should be looking at. Okay. Thank you. Okay so in 10 minutes, let's let's let's convene. Executive session 10 minutes. Cronk for lethal.

[2:02:31 PM]

We have to organize all that I got too many pieces of paper. Okay, we're going into executive question now.

[2:05:35 PM]

One you taken. In the dark. The. Crazy little dreams.

[2:06:40 PM]

The same. Question that I've never no, you're not. I'm alone.

[2:07:53 PM]

You say? I never. Town. By him . Making. Cheers. Fire if you're

[2:09:03 PM]

. Money. Love me. Breaking. Joining cold. Just save up some money.

[2:10:10 PM]

Mhm. Every. A break in.

[2:11:28 PM]

Here on my life. Hey. No time wise. But. Neglect can see. Unto me. Don't drink. Let comes please. Or well. He dropped down. My way. I don't need to call of no friends. All I need is what in front of me. I don't need nobody. And like I can see

[2:12:28 PM]

and to be go to drink. Let come. All right. I don't need to drive down. I don't need to call them. The line needed what's in. Not don't need nobody's company. Drinking like and see. Would come in to

[2:13:29 PM]

me. You want a drink? Let come what. Keep on. You don't. Pick me up. You know,

[2:14:42 PM]

you know. The best. I don't know.

[2:16:20 PM]

You know?

[2:18:29 PM]

You don't. Let me up. The best.

[2:20:20 PM]

You know?

[2:22:30 PM]

Don't say I love. But I'm going to get you, baby. Mostly a waste of time. Just my share of my but it never feels good. So let's go take. We've got to talk about it. Rule of the mob. Days of bend down the black rain all the conquered. You got most remember some. It is not enough. Nothing is too much to bear. The

[2:23:37 PM]

dust off of your. Shake the dust off of Ewings and the tears out of you. Goodbye to all my friends. Picketing down the line. The system here. Too much on the

[2:24:38 PM]

leave behind. Long bringing back to melody and the rhythm. Back to melody and the river. Bringing back the melody and the river. That I find. And we all got holes. Fill them home. Are all the trees, some following the black storms from time you dig your own, but the choice is yours to make. And the time is yours to take some dive into the season toil upon the stone live. Shape. Shake the dust off of Ewings and sleep out of your.

[2:26:35 PM]

Doing things. I swear. I never do. Do you? Station. I didn't the fees selected.

[2:28:39 PM]

Anyway. Already. Keeping. Would make it. We're trapped, breaking my neck. That's where.

[2:29:47 PM]

Show. Nobody for me. You know, you do it to me. Focus. Bad time. The sad time. Ah! Through. When. In their place. No, you don't have so nobody for

[2:30:49 PM]

me. You know? I certainly Navy. You don't have to go. Oh, you don't have to

[2:31:50 PM]

show no buddy for me. You. You know you do it, too. Don't touch me, baby. Just leave me alone. Because the way you treat me yep. Child you know that's wrong breathing, baby.

[2:32:52 PM]

Gonna hit that highway back home. Well, I took you off the street. I gave you all that I had. When I ask you for something. Chacon. When you get mad reading, maybe. Gonna hit that highway. Back home. You don't appreciate. You don't appreciate nothing that. Tom is talking about. All my money. It was so much for a ride.

[2:33:57 PM]

Satisfied. Don't you cry now? Give me my hat. Give me my coat . My by by by by by leaving baby. Going to hit that highway back home. That old highway.

[2:35:03 PM]

Yeah. Yeah. You don't appreciate you don't appreciate. To take on money. It was so much.

[2:36:12 PM]

To be my hat and my coat. 35 by. I'm leaving. Bvb? Yes. Gonna hit that highway back home. Well I'm sure you've got your. Your head. I'm sure baby seven. No. Everybody's got something. Some kind of demon shinde that they're just keeping. Keep it.

[2:37:38 PM]

Body. Come on. Kitchen. Down. Outside of. Back. Somebody sure. But you're not

[2:39:00 PM]

. Capt. Over time. Baby. You're clean.

[2:40:16 PM]

Comments. Table.

[2:42:24 PM]

Ever seen. Just. Ah ha! Okay? Largest.

[2:43:58 PM]

Got to do it on her. Old banjo. Under the bed. She has them now , Luz. She says, yelling out of flour! Don't make it! Blue sunlight water knell. But even a road has got to pay some day. Now the cross Canadian Ramberg. Reading what. This mother knows that you believe in god. Good job. Is more important than the show or this show business is heartbreaking. Have you got. You can get through the gig. Some of

[2:45:03 PM]

us. She comes just to discuss cinema. The only woman I know they're not far dog. I mean, I liked it. But there was some season there that. Got to never paradigm. It ain't smell right. Put it round. I'm about to derail. The mother. Questions. Jesus wept. On the

[2:46:13 PM]

no. You know? Nine bushes show love them blood.

[2:47:19 PM]

Zion chaos. Lugo. I love you. So you wanna Paige. Luna spirit. Rita. I am the north. Oil once said. Jonah. Tanya . They love it. Can I have another

[2:48:26 PM]

see when I move. They are. I'm. Nothing will be that. They'll be that. There's a kilo spices say. Yeah, yeah. Briesemeister yeah, well done. Yeah. He's again videos. Not hungry. Bandana. Sunlight.

[2:49:40 PM]

Rachel. I love it. It is. County event. Dummy. Odin. Let me.

[2:50:53 PM]

Yep. Don't ever. Help me up because. Could have got a job. Yeah. Wright. Wright. Still. Fringe boots. It is clear.

[2:52:19 PM]

I don't care. Wright. Me up. Where you been? Never. Yup. Yup.

[2:53:21 PM]

You say? Yep. Yep. And traveled. Yeah.

[2:54:36 PM]

Things you do. No no, it's true. Not me. Our obsession . Subaru. But you know that you were so something about you. Evening gown.

[2:55:52 PM]

Got you so bad. Mhm. You wait for you to come? Slave. For then. Your after shave. Your mother. College, but I to school. I learned my lessons now plays it cool. You took your chances with your stepping out. That's what it's all about. Through, she said.

[2:57:20 PM]

Harper-madison. That's my fault. Safe. Survival. I want to know.

[2:58:23 PM]

Arrival. You want to make real news iq. I'm really music. Think about healing yourself. You are the truth. Seven cheaper barrier. You want to blow. Marius. About. Get better think

[2:59:26 PM]

about healing yourself. Hi. It's good.

[3:00:38 PM]

Hmm. You are funny. Erica. Find yourself. Her work. Remote. Yourself. Giving yourself made in yourself. Think about yourself about yourself. Think

[3:01:41 PM]

about yourself. It's my fault.

[3:02:50 PM]

Survival. Want to know. Arrival. You want to make music. I'm music. You better think about healing yourself. You are the truth. Seven keeper of the barrier. You want to blow.

[3:03:59 PM]

Get that I think about healing yourself. Yeah. One day. That's good. Okay?

[3:05:39 PM]

The remote. Good by yourself. Zisman yourself about me, don't say. Think about killing yourself yourself about.

[3:06:53 PM]

Under the water. Someday when you feel. Then, you know. On you . Nothing to do. Yeah. Makes me. Harry.

[3:08:23 PM]

I know. I'd be away from you. No.

[3:09:35 PM]

Don't wow. No little kiss here, a few little of which you can expect, baby. I'm not bluffing. I'm an all or nothing got I don't want no, maybe. Well, maybe you won't. Don't maybe I'm not bluffing. Lover. You can have all your loving you loving at all around. Playing the field called preacher up and close the deal, baby. I'm not bluffing. Nothing, gal.

[3:10:41 PM]

Just a little hot there a few little of words you can spare, baby. I'm not bluffing. I'm an all or nothing. I don't want no , maybe well, or maybe you won't say you do or don't maybe I'm not bluffing. I'm an all or nothing, girl. Playing the field called drop and grows in on or nothing.

[3:11:42 PM]

Black votes, singing and dinner. Take these broken wings to fly. Oh, yeah. You only waiting for this morning. Good singing in the dead. Take the sucking nice. To see. Oh, yeah. Review. Only waiting for this moment to be free. Into the light.

[3:12:54 PM]

Birds singing in the data. Broken window. To fly. Oh, yeah. Yeah. Of the dog. I grabbed my hat. And then empty

[3:13:58 PM]

bottle of wine on through with that. This position. I resign. Prizes. I did. Just as surely. Around with the walk out. Will struggle on. And sometimes I will smile. Good game. Give me your word. Surprises. I give

[3:15:02 PM]

back. Natasha rises. Around with you couch.

[3:16:06 PM]

MM hmm. It was hanging in a car . A J. It wasn't nothing ever thought about in order. Oh it was gone. She moved out in my period wanted it just right. Welcome to me and I little tragic sisters radio. Well, it couldn't hold a candle to amount of steroids. Wants to have one down. Radio used to make a miss miles. So many djs from so far

[3:17:10 PM]

away you all to her. They will play a little transit big sisters radio. Hmm. Transistor ready song, my heart, my soul. And walk for my dears. I was a young boy. Or a half a turn away. Coming out musical start blame heard that all get rid of man blows mad. Didn't know what I was getting into all the little transistor big sisters ready? MM hmm. MM hmm.

[3:18:27 PM]

Crazy. MM. Big sister radio. My heart in my soul, my heart and walk them, my dear music. Now for those nights about the bedroom light. Happen drug my fingers. I wish. Looking back. I know at

[3:19:31 PM]

all. My sisters ready. Pio. Oh, that's where music first heard these rhythm and blue. That's where. Franklin well, Howard Tate. Mhm radio. The radio. Radio. System on the

[3:20:40 PM]

radio. As a cowboy and I use rodeo there. The show, and I too young for heaven. Into life. Way. Two young, perhaps. I won't have the

[3:21:49 PM]

animator. Before. She's gone on before. It was a toy. With this, I can say taste of whiskey. It's better. This girl. You are

[3:22:50 PM]

drinking too slow closing. Well, I know. When we close into. No. The star. Like a nut. I once was a boy.

[3:23:50 PM]

Now. Life. Alright colleagues began closer to be able to pull this up. Two young whenever the council members have her medicine and have little Fuentes on the screen. I think councilor harper-madison Greg counselor Fuentes, I think is at the airport. So we may start or postpone or hold votes votes if we lose council member Fuentes, but we're gonna try and get these things done so that she can vote. Colleagues there was one last issue on the statesman pad. Ah! And by the way, we're out of closed session closed session. We discussed legal issues related and 56. This is the continued December 1st 2022.

[3:24:53 PM]

Council meeting and the time is 3:24. We're probably gonna have to potentially have to reconsider the vote on the statesman pod. Because there's one element that I'm not sure we voted on. That was the whether we wanted to do units or square footage. We asked Mandy to take a look at it. And you're gonna have to tell us whether we actually have to reopen it in order to be able to get that issue or whether you can just put that in. We need to adopt that. Question. Mandated. You look at that. Looked at was the E P S analysis mps can't Darren Smith, I think did a presentation to y'all September of 2022 about the economic analysis for the statesman, pod Wright. The analysis looks at market. Versus affordable rents and then kind of comes up and capture the value for the differential, which fed into the 31 million. The market and the

[3:25:54 PM]

affordable was based on square average square footage. So it already even though we're talking about 55 units or 70 units, which equals the 31 million I'm sorry. 23.23 million not 31 million. Okay, they already took into consideration and average square footage for market rents across a certain geographic area, as well as affordable rents. So the square footage calculation is already taken into consideration. We don't need to make any changes to the I would not recommend making any changes. Sounds good, thank you very much. And thanks for taking another look at the other issue where we said it should always be. It should be the 23.1. But we said that's going to be a floor. I think we incorporated that into so many things we passed. Do you need us to reopen it in order to be able to make clear that 23.1 wherever it's used identified as a floor that could change if there's more units in the base, bud. No.

[3:26:56 PM]

The direction and motion work for the okay, make it a floor, so we know that it is the floor. Right. Thank you. Mayor if I may, Trish but is there explicit directions somewhere in the ordinance that we passed? That makes it really clear if the uses on their change and residential increases that there will be an increased contribution. We will need to add that into it based on the motions that were provided that were made today, so there'll be some language that will appear new. Because we have to take what you said and translated into the ordinance. So because it so that that will be there because that's that was the discussion and we understand that that was the direction and the vote of the council. Perfect so that that intent was clear. Wonderful thank you, cosmo tovo. Thank you for reminding us of those issues. All right, let's move on. We're gonna call up 55 56. We're gonna call them both at the same time, just by way of discussion. But we're going to

[3:27:56 PM]

handle 55, but on that separately and then 56 separately. When we were talking about amendments and just kind of going through you have five for 55. Is that right? But zero for 56. You didn't. You didn't call yours out, but they're in the package. It's just the motion. She I don't have anything other than the motion sheets. I'm just trying to make sure I have all of them in front of 55 got handed out of motion sheets. We have. Six because there's one that was on the back of the backside five. And then on 56 mayor pro tem and I have ah! Six as well. But they're handed out in the packet redistributed them. Yet within that package, nothing new and that's been posted in council member kitchen. You asked what had changed. So what has changed is that Trish went through and

[3:28:58 PM]

gave us a new version of the ordinance. So the citations didn't necessarily work as we went across, and we left off the citations. By the way, the citation that you have on your amendments is no longer right because it's a subsequent ordinance, not a problem. They can still put it in the right place. So that was one change. The citations came off of it. And then the other change was that ah! This package airport terminal are now recommending that we, ah, don't change the planning commission recommendation as it is already in the ordinance with respect to requiring, retail on the ground floor. Those are the only. That's that's written in and those were the only change. Other than that. It's like what was posted the day before. Okay? Okay mayor pro tem. I recognize you if you want to kind of open us up on this. Thank you so

[3:29:59 PM]

much. I'm gonna start a little bit backwards on this because a lot of people have been really working hard for well over a year as part of this process, and obviously part of lots of other land development code, discussions to try to get us to a place that we could move forward together as a council. To make some changes to our land development code. I'm not gonna be able to thank everyone involved, but I do want to acknowledge our council staff, particularly my chief of staff. Kirk Cadena Mitchell, Stephanie tren. Julie Montgomery, Sophia morales, Louisa bridesmaid who work together to craft the initial resolution on compatibility. Our city staff worked hard to bring this item back in time for us to consider it before the end of the year are planning commissioners put in extra time and meetings and I want to particularly acknowledge my planning commissioner Grayson cox but also are planning commission chair Todd shot and the members of the planning commission workgroup, commissioner of as that's our

[3:31:00 PM]

Geoffrey Thompson. James she Jessica Cohen, Jennifer much taller, and Greg Anderson. Who, all work together to help us to advance these taken together. These proposals would allow residential where it is not currently allowed. And incentivize the creation of affordable units by granting increased far and if the project is mixed use, then it also increases the height. This proposal reduces compatibility for housing projects in general. It reduces it even more if you include affordable housing, which we desperately need, in which we have extremely ambitious goals on creating in which our public is demanding, and the proposal reduces compatibility even more in areas that are currently served or will soon be served by transit, which is precisely where we said we want to particularly incentivize our growth and these are on the medium. The large and light rail corridors that I'm talking about these changes. Some have said this proposal goes too far, and others have said it doesn't go far enough. I am prepared to support these items today. For anyone wanting

[3:32:01 PM]

us to do more. We can continue working together and how to achieve that. I wanted to address one other issue that's come up in this conversation. Much has been said about needing to create more housing and west Austin. And if any of my colleagues on the dais want to have a conversation about how to do that, please reach out to my office. And let's set up a time to meet and have that conversation. My door is open on that. We can have that conversation and work work together. I believe the mayor and I have demonstrated that a broad and diverse caucus representing multiple corners of the city can work together to achieve results. It may not be what any one of us would have crafted our own. But rather than a month in that, whether this proposal is only half a loaf, we should

remember that half a loaf is still a lot of bread. And we can always continue to work to make our city more livable and more affordable. I want to close for now by thanking my co sponsors, mayor Adler, council member pool council member Ellis and council member Fuentes, who are part of our quorum and the changes to compatibility, and I want to thank council member

[3:33:01 PM]

tovo then council member Kosar and council member and kitchen who were part of the quorum initiating the allowance of residential uses and commercial Zones as an affordable housing bonus program. I have no doubt that if quorum rules allowed, others would have rolled up their sleeves and work with us on these various proposals. I think our work together has achieved something significant and I look forward to our approval of these items today. And then when you recognize me again, I'll make a motion on 55. Pretend thank you. I think your comments really self sufficient or thank you also for your leadership on both 55 56. You know, colleagues as we went through the process, and we've gone through this now for, like, seven or eight years. All through that process. We were identifying things that we thought that we could agree on this attempt as we identified as the council was to see if we could gather together some of those things that we could agree on. And actually pass something. We embarked on this almost two years ago. The process. But

[3:34:06 PM]

you're gonna have to go to do that. I'm happy we've gotten to this place. I look forward to us passing this today. With consensus, and then I would also add that there's still much work to be done million development code. I'll be eating my popcorn. Ah watching on TV or coming down to sing songs at the public comment. The encourage everybody to move forward. But I, but I am proud to be part of a group that's able to get something done today. Why don't you make the motion on item number 55? So item. 55 is the residential and commercial. And I moved passage of the red line with amendments that includes the amendments that the mayor and I have put forward in the packet. That was shared with you for item 55 outlined in the master list of issues. It's called red line with amendments. Okay? Second by

[3:35:07 PM]

councilor pool. Discussion on remember 55. Comes with a kitchen. I'm sorry. I may have missed what you said the process was going to be. Are you gonna take each amendment? Is that how you're going to do it? Or how are you gonna do? Her motion includes all of 50 B includes the master sheet with the things that came from a planning commission and the like, so it's those things that we've seen. Okay we could, and then this would be the time to entertain. Ah ah, additional amendments. What I'm seeing is just one additional minute amendment in 55. From council member Ellis. That, has been handed out. Motion sheet number one item number 55. Casa Alice, you want to make your amendment I'm sorry. I'm sorry. I missed a key phrase early on. Did you make mayor pretended you? Move

[3:36:09 PM]

approval of the staff recommendation. I am moved approval. Of the red line version, which was it is both based off of the planning commission. Planning commission made their red lines they made their red lines to the staff. Proposal. And then we changed the planning commission, some of which went back to the staff proposal. Okay so it's a it's a conglomeration. You've explained what you've accepted

and what you haven't on that first overview. Right amendments are framed as amendments. To the planning commission version. If you look at just the amendment sheets, okay, but as I look, and I see red lines, those are red lines to existing code, not red lines to the planning commission ordinance, not red lines to the staff there red lines to what is in code today. Is that correct? Council member, I may be able to

[3:37:11 PM]

help if I understand correctly. The motion is the base motion today is the planning commissions recommended ordinance. As you have redrafted it and their additional amendments on top of that, but the base motion you're starting from is planning commission version correct. Yes which is which is this version in our packet. Yes those things two things combined the planning commission and the amendments that we put forward handed out and posted on the okay. So from what's in back up, though, it just anybody's following along the it's the planning commission version. Okay. Counselor, kitchen. I just have a question about, making sure I'm understanding one of the sections. Yes. Okay so this this is, item number? It's. It's on the it's the last page. Other density bonus programs. Yes and it's number three. So the

[3:38:14 PM]

language in this is a little bit different than the one in 56. That's why I'm asking about it because this one just says must equal or exceed the number of on site affordable dwelling units required by the residential and commercial development program alone, whereas the one in 56 makes it clear that whichever program you know, we will. We will make it clear we're not doubling, but it makes it clear that whichever program has the higher number of, affordable dwelling unit supplies. And so I want to make sure that that the intent is that that really works in. It's supposed to be the same . And 55 56. I'm not certain why they're different. If that is my question makes sense. It does. Any attempt was for them to be the same. The request was the same. It might have been. They were just drafted at two different points in time, so it's asked Trish I think there's multiple. We believe there's

[3:39:14 PM]

multiple bonus things for the quarter one and this one. We're only talking about. Relatively. That's the difference. But but when you want to, to my mind of all of all of the bonus programs , that particular property might be involved in whether it's being mewtwo. Whether it's quarter or overlay, whether it's residential and commercial. Or whether it's being you one. Whatever is the, is the. Strictest affordability is the one that would apply, which is what you've got in 56. At the end affordability standard is the most strict. Also in 55. So it's the most restrictive affordability standard is the same. The reason the language is different right before word is because one of them deals with multiple other potential, combining stuff and the other one deals with just one and we're saying between these two you have to use the most. But it

[3:40:16 PM]

does if I can I understand what you're asking. I think Trish is going to clarify, but if you go back to number two on item 55 under other density programs. It says the total number of affordable dwelling units provided on site equal or exceed the number of on site affordable dwelling units required by the residential commercial development program, plus the number of on site units required by the other

density bonus program except as provided for the court over lake district. So for other programs, they can't substitute it here, whereas we wanted you to be able since we made the definition of the bonus is the same. For residential and for the corridor. Or that to satisfy the corridor. You could do this one. Through that. How does that relate to be? Because the requirement is a 60. I'm gonna get it backwards, but it's like 60% and 10% fairly certain we used the vm. You one for the

[3:41:19 PM]

residential, but electrician's speak to the drafting. I just want to make sure I'm seeing it. My understanding. It's a higher affordability requirement from the two yeah, it would be. I think it is. But I think that it reads that way. And the part on page 11 at the end was was to make sure that you didn't have to do it twice if you were taking care of advantage of the corridor program, controlling what you all are seeing is the controlling languages F two for other bonus like the corridor program doesn't specify all of the bonuses. It says you have to satisfy a bonus program. And then you get this. It says, required by the other density bonus program. So I'm not sure what the other density bonus program refers to the first sense if it's also eligible for a separate in. One I see. Mhm.

[3:42:22 PM]

It hits your I think it was everybody's intent. I think we hit it. Trish is that your understanding, too? So in. Make sure looking through it one. Okay and the residential and commercial if you have if you want to participate in that this program and your property is not located in the overlay. Then you take this program plus the other program and put them together and you have to meet. The both on site requirements in order to take advantage of the least restrictive regulation. The problem is number three. Because the way I'm reading this, I get number one, says number two says if you're you know I properties don't have a V or they can't.

[3:43:23 PM]

They can't participate in the residential problem is number three, is it not? Because it says, if a commercial residential development is also eligible to utilize the corridor overlay program. Then the total number of affordable units must equal or see the number of affordable dwelling units required by the residential and commercial development program alone. So are you saying that they would never be eligible for V if their residential and commercial program because they you could have a scenario where you were. No, no, the way I understand this amendment is that specific to a property that wants to use residential and commercial and is in the corridor only have to comply with the residential and commercial bonus program, not the bonus program incorporated into the overlay. If you want to have the bonus, but how do you but but if you're if you're

[3:44:24 PM]

residential and commercial and your V and you're in a quarter overlay which one do you so in that instance you could use your V and you could do your residential you could be residential and commercial. Oh you're great. You're correct. Thank you. Okay it's been a long day. Properties are not covered by the, oh, my goodness. I'm sorry by residential and commercial. But what if your residential and commercial right now and you want to add be in the future? You have to come in for a zoning change, because that way you're eligible to go to the M U two and you have to have the zoning change to be eligible for V one. Not just being you, too. If you're not a property at all right now, and you want to

come in and add the I don't know if you would want to. So in that sense of property that is a lot that is eligible to use residential and commercial that does not have a V can use residents or

[3:45:24 PM]

commercial or if they would like to follow. What is in B M U and my guess is they would probably use vm you too. As that has a the additional entitlements they would come in and get the V from council. And then they would be able to if they met the standards within the V program and being you program to be able to utilize anyone or vm YouTube. Based on that. I just feel a lot more comfortable. I can we can come back to this mayor. I would just feel a lot more comfortable if it said somewhere just really clear. Just a statement that says whatever programs and just like you did in 56 if it just said clearly whatever programs whatever density bonus programs they're eligible for that they're going to be held to them to the more restrictive. Because I'm afraid that we're going to be missing a circumstance that's that's what I'm concerned for residential and commercial. If you are zoned the you are not

[3:46:25 PM]

out. You cannot participate in residential commercial if your zone to be currently if this ordinances adopted, it does not apply to a property. You are not eligible. If you have a V on your property, and you're not eligible to apply for V in the future. Because you have a V if you don't ever be right now, can you use the residential and commercial in the in the future. In other words, at the point you apply for V. You're no longer under residential and commercial. Is that what you're saying? Correct? Okay and where does it say that? So if you look at, just had the Paige sorry, page seven of the red line with amendments. It's line 1 97, a commercial residential development is prohibited when the property is owned V. Okay commercial residential development is prohibited. Line 1 97. And you'd get much better you get in the future. You read

[3:47:28 PM]

that language to apply in the future? If you want to. If you want to come into account. If you want to seek a V from council, you would not be able to redevelop your property under residential and commercial. Okay? Okay, so that's what this C one is saying. Correct. Okay? So as we went through this, it has all the planning commission amendments and you can see hmm, listed as we went through it. Two stories 23 stories is recommended was already in there. The Luz already in there. The all these elements as stayed out as we're in there or if they're changed, their noted, and there's emotion sheet associated with that. And then the red line. Which he and Lou ah! If he and Lou is the one

[3:48:34 PM]

that that dropped the distance requirement. How was the change? And it's online to 57. 2 50 ft Luz starts at 2 52. Okay? No problem. Alright so those were all the changes that we had their council member Ellis moves her amendment, which is the only other amendment 2

[3:49:35 PM]

55. Okay. No problem. If you want to lay out your motion sheet number one item 55. Yes this is amending section 25 2-519 E, short term rental use is prohibited within an affordable unit in a commercial residential development and the rationale is listed below, but I know there's been some

conversation in a number of these land use issues we've taken up over the past two days , and I know there was a robust stakeholder and community involved input session with short term rental and so I just want these two stand as streamlined as possible with the existing short term rental standards, knowing that we can always take that conversation back up and make sure that everything that's being decided with stakeholder input is clear and consistent and easily located within the code. And so

[3:50:35 PM]

I just wanted for this. These conversations for 55 56 to just make them as is. Okay currently identified in codes. Customer always makes his motions are second to this motion. I can't remember when. Three a second discussion long, strong concerns about this, and I'm going to have the same strong concerns about the next one. And I'm going to have to evaluate my support for these measures. You know, we have told our community. We're getting tons of feedback. I don't know if every district is but these you know, there is not, a groundswell of support, necessarily for the changes that we're making here today, and I'm going to support them if we proceed along a reasonable path because I think they're reasonable changes. However if we're loosening requirements and granting additional entitlements to properties, and the result is an increase in short term rentals. I just can't support that. We've gone to our community and we've said our intention is to create housing to create much needed

[3:51:35 PM]

housing units affordable and market rate housing. And we know what the market produces. And I don't know whether the market is producing this in your district council member Ellis, but it sure is in mine and council member Renteria's and council and mayor, pro tem altars and when there is a choice. Short term rentals are always going to be the most financially lucrative and so I cannot support providing providing incentives and then allowing those to be used to create more short term rentals. Further discussion. Pool. I'm I want to hear everybody's thoughts on this. This is a really difficult area for us to legislate in, but I would like to check in with, council member Ellis. On the possibility of creating a stakeholder group to sort of go through these issues again and update everything. I think the last time we did this was maybe 2016 mayor and council member tovo. Do you remember when we

[3:52:36 PM]

took this up? I mean, it's fantastic. It was pre pandemic, which means it was eons ago. And so whatever happens here, would would you be interested in in kind of leading on a stakeholder? Conversations so that we're not piecemeal Ng. Which is I would like to, you know, maybe get a little higher level for the policy setting and that we don't do it case by case . I appreciate that. That's exactly what I would would like to get out. I think I think piecemeal. Ng is a good way to put it and I know there's been robust stakeholder input. I agree that it could be time to revisit that. But I want to make sure that if you know we have issues with short term rentals because of enforcement or because of affordability that we're addressing those directly and not piecemeal Ng to your point about that, so I'd love to look at how to involve stakeholders and you know, honestly, to bring in the folks who are responsible for enforcing the rules that we set because I think I know that there's some work to be done there, as has been discussed on this diocese before. So does that mean you're okay with taking motions she'd never want

[3:53:38 PM]

and turning it into a direction for the manager to create. Stakeholder process on this issue and other str issues and come back to council. Because that sufficient manager okay, anybody object to that amendment going in hearing none. That amendment goes in. Thank you. Council member, Ellis just the stakeholder ports and goes in okay. I think those are my amendment as is written. So it's not making the change to the document. It just creates the stakeholder process. Okay. And then that stakeholder process could amend the language within these could come back with that or many other recommendations because you made it more broad than just this. You can come back with other str recommendations prefer to keep the regulations standardized until the stakeholder group has had a chance to meet. But if that's not the will of the diocesan you can see how that goes, okay? Kelly, council member, Alice springs up a good

[3:54:39 PM]

point. I'm not sure that we should be changing something until we get the feedback from the stakeholder group. Could we work towards consensus on having the language read as is standardized in the rest of the code until the stakeholder group convenes and makes an assessment. So in this case, the planning commission put in the amendment to. Prohibit short term rentals within a commercial residential development. Amend that to say ah, just prohibited within affordable unit. We have a study period of time in the question is, what is it that that is the rule? In the meantime, does it allow I guess our existing rolls would allow it. The short rule the short term rental to exist subject to all the rules we have in place. The planning commission was saying we should prohibit it.

[3:55:39 PM]

Council member, Ellis was moving for a lesser prohibition. Comments thoughts. Colleagues. Yes, Caravella. I mean, I am with council member Alice in terms of I mean these they have utility. You know again. I don't want to know the kind of you know, negative reputation and but as she has mentioned before . There's a lot of folks that use them families in particular who remodel and those kind of things so I don't wanna, you know. Just as a default matter just, you know, exclude them. I would be supportive of her. Amendment. This is 50. Tovo go ahead, be clear. The property owner. This is an excluding this isn't making it impossible for a property owner who wants to do a short term rental. To make that available. This is this is hitting the type threes. Which

[3:56:39 PM]

are you know, invest around investor owned properties. So I would I would urge. We listen to our planning commission and you know, work. I think of stakeholder process is a fine idea. I think we've got a lot to consider. After executive session next Tuesday. We're going to hopefully move forward on one very small element of it. But there's a lot to discuss. But again, I would. I would really urge that if we're if we're undertaking something to create more housing that we listen to the planning commission and what we know to be the case and make sure that housing that those units get reserved as housing. And I missed my point in talking about it. I think the market provides homeowners to do this and that you know there that provides for that product that can that allows for that product to come to the market. Without creating more investor of Dr Kennedy's get her, Alice. I just hope that

[3:57:41 PM]

we could reach a consensus and that the stakeholder process should be revisited. But there has been robust stakeholder input. It is quite a few years old at this point, but you know, there are a lot of different uses for short term rental, and I don't think for the purposes of today we need to necessarily say, that we like them or don't like them. There are a lot of applications. You know, for people doing short term home remodeling or making repairs to their home where they can't be inhabited. There has to be some sort of options on the market again. The enforcement issues absolutely need to be addressed because I 100% believe that that those are an issue that we need to step up and make sure those are being taken care of. But but there is definitely a facility to using them, and I would just hope that we could do a similar stakeholder process that is now about six years old. I just think that's why that's in the best interests of the community, at least to keep them standardized. For now, not saying the stakeholder group won't won't come back and make some other different proposals, so I think there's room here for

[3:58:42 PM]

some more discussion. Now. I have another question. Pro tem thank you, councilor tovo. I share your concerns. But also do you know that the strs our captain. Multi family to 25% I wanted to ask, miss link if she could confirm but this would apply in this case. For a property with commercial zoning . It is 25% of the units, okay? So, you know another another option rather than doing no would be to do what we just did on the statesman part and, you know, cabinet 10. I don't know what the willow that I slb on that. But that would be, allowing for the opportunity, but not having it be an overwhelming portion. In any in any in any building. And I think

[3:59:43 PM]

that is likely going to be the direction if we if we are going to put any controls on str. I think that's likely the direction of the controls that we would be able to potentially do in any case, so I just throw that out as an alternative for the dais stick. Consider as a compromise across these approaches. If we're if we're not comfortable moving forward with a stakeholder process. So right now, the fault law absent . This is a short term rentals are prohibited in 75% of the units. Is that right? Because our pool. Thanks and the existing, restrictions. Ah! If we continue them on, it's still kind of leaves open the question of for the purpose that you're talking about council member Ellis, which would be homeowners that need to relocate because they're doing whole home renovations or something like that. I don't know what

[4:00:43 PM]

mechanism we have available to us to make sure those are the people that actually get access to those str that that motivation is a really good one. I don't know how we direct the private sector to make that happen, or even to enforce it. Maybe that's something we could dig into and explore. Proton would you be open to 15, and we can keep moving. Sure. I mean, it makes sense to me to do a compromise here because we're not going to redo the str policies as we stand here now. So I would support no greater than 15% and none in the affordable units. Everybody had objection to that going in. Yeah I have an objection. Just please register me as a no. I mean, we're redoing the zoning or fixing to redo the compatibility

[4:01:46 PM]

. Understand we absolutely have an opportunity here to modify and probably once a week. I get emails from people who are asking us why we're allowing properties in our multi family apartments to be short term rentals. It just it's totally antithetical to what we're in this process we want to do and in this process we're going through here. Where where? Where we're compromising purity for consensus. If we do limited to no more than 15% and no units, none of the affordable units then then we have taken a step towards further restricting str. Register that as a no vote will take that amendment and put that amendment in that way. Okay I think those are all the amendments on 55. Sorry. Let's take a vote on 55. Those in favor of 55 as amended. Please raise your hand. Those opposed to 55. Two no votes, council

[4:02:50 PM]

member Kelly and Castillo tovo deal is voting high. Are we voting on the amendment? On the whole thing. Let's take a vote on the whole thing on 55. I'm going to support this. Even though I totally disagree. I will say if it makes its way into compatibility. I'm unlikely to support that. I appreciate that. Kelly, you wanted to be shown as a no vote passes 10 to 1. Let's go to 56. Okay? 56 same kind of thing with respect to, what's been, MM. Laid out. Again you see the base, which is the. Treasury configured

[4:03:56 PM]

planning commission. You see the items that have been listed on 56. And then there's some additional amendments that people have brought on 56. Let's go through the additional amendments. On 56. Ah! Like a base mushroom. What would you like a base motion? Go ahead. I will move. Passage of item 56. In the document that was passed out in our packet with the red line with amendments, which is the planning commission's recommendation with the amendments that were put forward by the mayor and myself. Okay, second to that. Because they're pool second set. We see the base amendments. Let's go through the additional amendments. As a member. You just put you up on

[4:04:57 PM]

the on the deal. First I'm going to come back to you last let's start with council member kitchen. You have a motion sheet on 56. Yes, Mary. I have to motion sheets on 56. Do you want me to go through them both. Or let's see if you can do quickly. Your first one was concerning, wraparound tracks. Yes objection to that amendment going in. So. I'm not sure is this, the amendment that were your many. My amendment for? It doesn't actually it stands stands separately. But that's the one we're talking about. Yeah okay. Okay I just was double checking . But it's not amending mind amendment. It's amending the base ordinance. Got it. Thank you. No objection. I need to find the right place to put that in. May I have a question for the maker of the motion? Yes. I'm struggling to understand is it? Struggling to understand the scenario that you're trying to

[4:05:59 PM]

address, is it something that happens a lot. Are you trying to address one track do you know of? I just couldn't quite visualize. What was going on and how frequently it occurs. I don't think it occurs very frequently. It occurs when you have lots that are coming in at an angle. And you have the potential for now. This is very specific to you know where property wraps around, so it's both in the back of the property and on the side of a property and you can have that happen when you have a street come in at an angle to a straight street. So I know that that happens along south tomorrow. I do. I'm not familiar

with the rest of the city. I know that there are places in. I think there may be places on long, other quarters, but this is this is limited to large. This is limited to large corridors and light rail lines where you have that kind of circumstance, and it is limited to a circumstance in which the property is. Oh,

[4:07:00 PM]

where it is, the corridor property wraps two sides. Of another property. Not just behind the property, but of reps. Two sides. Zoning. S F five. I think yeah, but we took that out because sf five that was just another way to say, triggering property so lot told us to take that off, do you? If you want to see the language, think I need to see the most recent I only have have always seen yet older. Yeah there it is. That's the most recent that doesn't change content. It's just that law suggested we reward it that way. Okay, that's that's what I've got. Okay? Any objection to that amendment going in mayor. Can I make sure that I have the correct language ? Yes so a structure can reach and allow behind if the structure is located, at least 150 ft from a triggering property, the quarter property both shares a portion of a rear inside lot line of a triggering

[4:08:01 PM]

property and is participating in an affordable housing bony's program. That's correct, and it applies to light and medium rail. Road. Yeah, that's all okay. Okay so thank you. That objection that goes in your second amendment council member kitchen. Ah ask city manager identify strategies for additional funding. Yes, I can read it. City managers directed to identify strategies for affordable housing programs to mitigate displacement risk due to disparities and income levels across the city and in areas at risk of gentrification, in which the local M F I is lower than the Travis county mf. I this is just direction to ask our staff. To identify strategies. For him. Any objection to that amendment going in saying down! That amendment goes in gets us to cancel marbella. You have some amendments. Any you wish to offer. Do I like to I accept the

[4:09:07 PM]

mayor pro tem. It's MPT altered the amendment. Two CM Bella amendment one, which is a direction to the city manager. She offered amendments to my amendment one. I have no objection. And so you're moving your amendment with council member authors amendment which asks for our report back and for data. Yes that her is just adding the and shall provide an updated council regarding the approach and methodology being used to perform the analysis no later than 90 days before presenting the findings to counsel objection that amendment going in yes, objection. I had some suggestions abroad in it just a bit. If that's okay. This is a good time. We need it. Yeah. My suggestion is just in this. Maybe already inherent in what you're looking and what you're thinking. For the city wide review, but I thought it was might also be helpful to look at the equity tool that you know project connect as an equity tool, and there's a UT

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Austin uprooted toolkit. Another words. That's not I'm not concerned about those specifics , per se, just wanting to make sure that we look at this from the perspective of equity. And you know, as as represented by various tools and our equity and sustainability innovation offices. Because if I'm reading your direction, your direction, says direction city manager to do a citywide analysis of the impact of current compatibility standards and potential changes to those standards, especially in high opportunity areas and to help meet strategic housing blueprint goals. So I would just add that analysis should also

include equity concerns, as represented by our equity analysis tools related to project connect. And, and, the especially in higher opportunity areas to meet strategic housing blueprint. And project connect

[4:11:08 PM]

equity. Two goals. Yes, that would do it. Okay any objection to the amendment? Objection. I'm just wondering if the is it? I'm just I've never been sure what the end was doing in your in your amendments, so is that the mayor just took out the end. And I'm not sure whether unless you're putting a comma in there. Because I think it was especially looking at high opportunities and to help meet strategic housing blueprint goals overall. And so. Are you okay with me? If you put it am I am I don't know whether you want to take that the and or not, I'm not sure which is better. I just was confused. I don't think that the end it's necessary, especially in higher opportunity areas. To help meet strategic housing blueprint goals. I don't think blueprint and project connect equity two goals. That's why that to change any objection

[4:12:10 PM]

hearing none that's in do you want to offer any other amendments? I do? I want to offer two amendments. This one would be well amendment to which. I appreciate and support the. Affordability goals in the affordability bonus program. I should say, on the commercial to residential. The compatibility affordability. Bonus. Schematic that that the strategy I'm much I have real problems with that. This is it's not based on the ah! Individual property again similar to what I said in the in the working session where the

[4:13:11 PM]

owner of a property has no control over whether their individual property is subject to compatibility or not. It's something that is imposed from around them. There's no real quick and easy way to tell whether your property is subject to compatibility or not. There's no list or map again that I'm aware of, or that would be, you know, kind of definitive. Ah that tells you you know whether your property and subject to compatibility you know, it's very arbitrary and I don't think that's something as that so arbitrary should be where we are using affordability goals at think that the better fairer way is to simply do the competitive compatibility changes by right and just limit the effect of compatibility any second to this. No second is going to die for want of a second. My hope is

[4:14:11 PM]

that you picked this up as part of the phase to work. I mean, it's not consistent. I think with kind of a consensus place we were going, but I think there's work to be done on this and I look forward to the next council. Moving those kind of items considering this kind of thanks, mayor because I can't support the peace that is by, right. That's the one that was not seconded, so it hasn't been in front of us, and that's that's why. Thank you, okay. Do you want to make any other amendments? Yes. And then I have the amendment three and withdrawing amendment for okay and amendment three is for a planning commission waiver for compatibility again. Currently the only way to waive compatibility is via a demonstration of hardship. Ah whether the triggering property is fine with it, whether it's in

[4:15:13 PM]

the public interest, you know again, regardless of whether all parties agree that we don't even want compatibility to apply. We still can't waive it, or we can but just only based on very stringent hardship waiver with before the board of appeals, so this would allow the planning commission to provide a waiver for compatibility and list the standards where the owner of the quarter side and the triggering property or the same, the owner consents, you , owagai, just a kind of a basis for the planning commission to consider and vote on a waiver for compatibility. Thank you very much for that second. This and I and I want to explain why okay. That's proposed seconds it I think that on the height limit limitations in the administrative or or planning commission. I understand there was some concerns about the language. But law has fixed those so that this does work.

[4:16:13 PM]

And I do think it's needed. I think this is a good fix. Thank you happy to second. I didn't understand that either. I mean, my sense I can take another look at, but it seems to me to be pretty significant granting of waivers of compatibility. Away from the board of adjustment over to the planning commission. This is creating a waiver opportunity where none existed previously. That was not my understanding, maybe lock and talk about it. I thought that there any concerns with the language had been had been fixed . If that's not true, then please do. Please do advise residents create business intended to create marbella waiver with no one does not exist now it does. It is creating, not a hardship waiver. It's adding a discretionary

[4:17:14 PM]

waiver for the planning commission. Not that goes beyond what the board of adjustments for a second again. My hope is that we put this into the next phase before we start granting discretionary waivers that compatibility might be a really good thing to do. Just not part of the process that we're in right now. Tovo agreed. And you know, one of the scenarios under which you could get a waiver, as if the owner of the corridor site and the triggering property or the same, which means any property owner who just bought the property and back suddenly bypasses the any objections. I mean, there's odes are second to that. Then it dies for want of a second. Thank you for your amendments. I think the only other amendment I have a council member Alice's amendments. My Mike doesn't work. Is it working? Yes. My light just doesn't work. Even though that

[4:18:15 PM]

wasn't a second, I'm excited to further that conversation and potentially even discussed whether setbacks could be appropriate to but I don't know enough about that situation in that process to weigh in on it, but I think it's an interesting conversation. I'd like to have thank you, councilor member appreciate that and again, I'm excited at the opportunity and the prospect of councilor Marco Madison novella remember Ellis and others. Engaging that the council on this conversation when you are getting paneled. Next year. Ls any last amendments to the item 56 emotion sheet number one amends section 25 to 7 69 point. Oh, four B and C and all it adjusts . I'm sorry. It's not redlined, but it changes the unit count from 12 to 17. And this is the one that would be in line with the work that we just kicked off for missing middle housing and trying to match the 16 unit count. Threshold so this is changed to 17 so that anything over 17 within trigger

[4:19:15 PM]

compatibility. That's how it's written. Objection to this and I mean very nervous amendments. Any other amendments. Yes I have another one similar to on 56 changing the language about short term rental uses back to just in and affordable unit and this would essentially just like the other one, streamline it with current code and the other compatibility standards for owner occupied or non owner occupied types of short term rentals, so it's very similar to 55. Pro tem. I'm not sure how to fix the language to match what we did on 55, so that they're consistent. I think that would be better. It will be very confusing if we have different rules across these two programs. So I don't know. If law could tell us how you I would do that just because it's in a several different places. I mean, we

[4:20:16 PM]

wouldn't be prohibiting it in other things, so those might be fine. But I haven't figured out. I don't know exactly how you make that happen. Who say starting with 7 69.6 D 11, which is the part of the bonus program. Short term rental prohibition within the bonus program, starting with that first do you want to keep that as it is, or do you? Are you thinking to do what you did on the residential and commercial question was, how do you do what we did so that the rules are consistent? So for that one it's over that particular provision. We would use the exact same language. From residential and commercial and we would place it in this particular section. We can do that for that one because it's part of the bonus programs that would be matching so which which one was that that is 7 69 0.6 D 11, okay. Okay? For the other for the first. For the

[4:21:22 PM]

first two. Well, let me actually start with the third one. Do you? Currently str use is a residential use so we would take that out to maintain it. As current code if that's what the will adopt the dais. That's what I would prefer, okay? So we would remove that, so I would. Strike that section from the ordinance because it's not necessary. I'm sorry. Can you just tell me I'm looking at her sheet? So it's 769.5. It's the third. Okay so you're saying if we're going to allow any short term that we don't need to prohibit short term. We just have our rules. Applying. Actually what the reason for the change here, so the language, as it reads now is in this division a residential use design and include a short term rental use. And the purpose of that is because of the way that the

[4:22:22 PM]

resolution works. The. Residential it was residential and mixed use could have some additional what would have some of the waivers. And changes to compatibility. And so. There was also language in the resolution. About not wanting short term rentals. However, to make it match. How the overlay itself operates, which focuses on the waiver based on your use. It doesn't limit uses. It just says you get this additional waiver or you get parking minimum change or you get this height limitation difference because of your use. So if council does not want a short term rental use to take advantage of that. Then that is so that is why it is drafted that way. So it says residential use does not include a short term rental use. Raspberry tovo. I just need to

[4:23:26 PM]

clarify something you've just said. Did you say that the original resolution included a prohibition on short term rentals? That is the language in the resolution, but to align it with what was actually initiated by counsel to make those mesh. It doesn't the overlay is not designed to prohibit uses. The overlay is

designed to change the compatibility and parking requirements. And start to actually make that all work the way that I have applied. That is, you do not get the changes in height, Wright compatibility and parking. If you have short term rentals in the property, it does not prohibit short term rentals. It just does not allow you to take advantage of the height and parking changes. And if you wanted to take advantage of the height, you would just cease the short term rental use. You wouldn't be able to apply for a short term rental use if you come in and you just redevelop your property, and we can tell that you've used the benefits of the overlay. You would not be eligible for short term rental license because you can't have right. That's kind of

[4:24:27 PM]

the natural effect, but that's what it means. But it was in the original resolution that this council passed. Correct the same thing would happen. If it went all commercial, you wouldn't be able to go all commercial. If you've gotten the benefit of the overlay, so it works for multiple different uses. Okay but what I was trying to just to drill down on was what our original, consensus was built around, and it was around the expectation that there would not be a short term rental that was in the original resolution. And for me to apply that it has to be focused on the use for the right changes. Got it? Thank you. Wording changes. What do you do with the first four bullet points? First three bullet points. But the question is, do you want to consider short term rental residential use, and I understand from council member LLC does want it to be considered a residential use. So that provision the third bullet down would go away. Strike the third bullet point, okay? That leaves you with at

[4:25:29 PM]

least one residential and no short term rental uses. Again that means if you have a short term rental use you so we're not take advantage of the combative compatibility changes in parking changes if you want to be able to take advantage of them. The council wants them to be able to take advantage of them. Regardless of whether there's a short term rental. We need to strike that language. The short term rental language. In the last bullet points. The first two the first two. I'm just trying I'm just trying to make the match what we're doing everywhere else so that it's less confusing. The. The way to do that would be to just focus on making sure there's at least a residential use. The challenge with that is that could mean only short term rental uses. And other commercial uses. Okay so that that's that's the distinction. Okay? Sorry this is

[4:26:31 PM]

getting pretty far in the weeds. I think this really high level you know, the posting language is kind of about all the other aspects of this and that's why I think the stakeholder input is going to be so much more helpful in trying to streamline how to how to figure these all out. So are we okay? With putting in the fourth bullet point and striking the first three. So what I want to I just want to make sure that I'm understanding, though. The challenge that you're highlighting is that in order to access the compatibility, bonuses and stuff, you have to have a residential use. Yes. And we don't want to a situation where we're incentivizing strs and commercial. But if we make it, 10, how could they do that? Like I mean, like is that even a feasible thing that you were is what you're saying feasible or would they have to do nine units

[4:27:31 PM]

of for a corridor site. So if you look at the first bullet. For a corridor site with at least one residential uses, and no more than 15% short term rental. Uses. And. Okay I see the amendment now. Council member, I think I was misreading this amendment. Your current languages for corridor site with at least one residential use and no short term rental uses and an affordable unit. So the note of what now affordable unit. No strs and in an affordable unit is already is consistent with residential and commercial. For your non affordable units, if you want to limit that, to 15% or 10% of whatever the number

[4:28:31 PM]

might be. We will say that it would be at least one residential use. No more than X number of whatever the percentage is short term rental uses. And no short term rental use and an affordable unit. And I can accept that if that's reaches us some consensus on the dais. Can you say that one more time, please? Sure. So it would read for a quarter site with at least one residential use. No more than. Whatever the percentages that you would like short term rental uses. And no short term rental use in an affordable unit except back required and it goes on from there. Okay? I think that I mean, I prefer none, but but I think that accomplishes I'm fine with that compromise, but do you want to use the same percentage from residential commercial 15? Okay and is that the same change you'd make then and number two?

[4:29:33 PM]

Because it's the same thing. Yes, okay. Number three strikes number four. Was going to be maintained. We're about number five. Number five. I would modify it to match one and two, okay? Are people, okay? With those changes to analysis amendment. Changes to her remember first okay, so those are the changes to her amendment. Now let's talk about the Alice amendment has amended. Anybody object to that being put in you want to just express a no vote? And let it go in the record should reflect that. Cast member tovo voted no. That amendment will go in. Okay I think those are all the amendments we had on 56. Yes, council member harper-madison. I don't have any amendments. Marriage do have some questions,

[4:30:33 PM]

though, but I can't see who else in chambers other housing step. Yes. Yes. Eric leak, housing and planning. Are there. Good afternoon? I got a couple questions. You know, I started along this line of questioning on Tuesday and I just want to make certain that I get clarity and then just get as some clarity for the record sake. Excuse me. I am. I asked about. Incredible distribution on Tuesday, and I just I want to ask that question again. And during the course of this conversation and well, I am certain we'll be subsequent conversations. Is it safe to say , or would you say that that the distribution given these. Given our current approach is equitable. Hmm no, and we

[4:31:34 PM]

provided additional information and counsel Q and a about that. And I appreciate that. Thank you. Like I said, I've I've I'm going back to the same line of questioning from Tuesday. Which will include the question that I asked about? The omission of corridors. So can you tell us? Why did Steph omit corridors and acreage and high opportunity areas specifically in west Austin? Ah the city council resolution was very specific about which corridors should be included. And I guess not included in that sense. I appreciate that. Maybe that it doesn't quite so I'll go ahead and ask the second half of that question,

which is, you know? Is there anything is there anything that we could do today? To address the inequity by adding corridors that were left off of this map. I don't think you can

[4:32:36 PM]

today because of notice requirements. I my understanding is that additional corridors could not be added. So we're not allowed. Correct. In which case I am. I want to make sure that we're all clear. Ah! Said that there's not any misunderstanding. For my colleagues were for the public. This item is designed. As it is currently designed, is designed as inequitable. The exclusion of corridors and high income areas. What's purposeful and by council direction. And we are left with no option to address these inequities today, so. The fact that a well intentioned and necessary reform tower really desperately outdated land development code. Has been

[4:33:37 PM]

worked to once again. Exclude west Austin and other high income areas from this much needed housing conversation is it is sadly not at all surprising. But thank you. I appreciate you helping me with that so with, you know what? I'll leave it at that. I think I think I made my point. Thank you for answering my questions. Thank you raise a really good point. Katherine harper-madison there. There's a way to make her entire land development code more equitable. And again, I hope that it's something that this council really focuses on the next generation. There are elements of this that we're doing today that do promote equity. Ah the housing staff is also told us that are proposed affordability. And quite frankly , in this city pushes toward

[4:34:38 PM]

greater affordability are pushes toward greater equity. Given the makeup and demographics of our city. This is not perfect, and it's not everything that I would like to have happened. I do think it is going to be easier for the community. To move to greater equity. Ah, in the future if this is done because I think it sets out the form and the vehicle and the approach that would be necessary to do that. And it's going to be easier to do that if you're not trying to do all of the heavy lift at the same time. So my hope is that recognizing that this is not perfect and my hope is with absolute and resolute resolve. To continue to work. As quickly as you can on the new council to ever increase. Equity. We embrace that moved

[4:35:41 PM]

toward equity that comes from what are pretty significant changes in yeah. In culture and inform. Taking advantage of the things that we can agree on. On this path that we set out on as a council. Unanimously a year and a half ago. But I think the point that you raised and I appreciate you raising that point. Because I think it's really important as we passed this and I hope that we do. That we are resolved. To continually working to make our city more equitable. My colleagues. I think, I think we voted either. Beaverton Castillo Ellis is whether we have registered the no vote. So item number 56 is in front of us as amended.

[4:36:43 PM]

Callie's. I'd like to ask for the vote to see if there are nine votes in favor of this. If there aren't nine votes in favor of this, I'm going to ask for it to be postponed till next week. If that's okay. Are there nine votes

in favor of this so we could pass it today and not have to come back. Please raise your hand. I guess I'm seeing I'm sorry, but. I'm saying eight votes, counselor harper-madison. Vanessa is not here. We've lost Vanessa. However, she was at the airport. I think council member harper-madison had the vote. I am. I am going to very hesitantly vote. Yes. And then

[4:37:44 PM]

I'd like to make some comments, please mayor. Call this with nine votes for and counselor tovo. I think you voted. How do you vote? I'm going to abstain. Okay. I was. Certainly came into this conversation, intending to support it. I think it's much needed to make changes to our compatibility, and I appreciate all the hard work that harper-madison asked to speak to. I just want to record your vote. So I called this at nine votes for zero against one abstention. Council member Fuentes off the dais passes. Councilor harper-madison. This is your opportunity to speak. Thank you. Mayor. Can you guys hear me? Okay. Yes. Volume is acting a little funny on my end. I I just wanted to say, you know, I really still struggle supporting this item. Austin has the most restrictive compatibility rules, if any major Texas city it's a major

[4:38:46 PM]

barrier to allowing more housing in our city, particularly along those transit corridors where we all want to see more people living and working so the idea that expensive single family homes should have such an enormous force field around them that protects them. From apartments and people that live in them. Is the definition of exclusion. So I'm I'm all for relaxing our current rules, but I really want to do it in a way that's equitable. That's impactful. That's not overly complicated. I didn't like it when we deliberated and decided earlier this year to exclude certain corridors in west Austin. From these changes, I still don't like it now. I mean , just look at the map and see how much more the east side will be affected by this change. While the west side continues to avoid shouldering its fair share of Austin's growth. Thank you for making these changes. We should make him citywide to your point. And you didn't say

[4:39:47 PM]

America can't remember exactly what you said verbatim, but it was something along the lines of we should do. We should take a look at equity moving forward, you know, even should isn't strong enough because it almost sounds like it's an option. We are obligated to should be the sentiment and I don't feel unanimously like that's the case with us as a body. I have said before. You know, this stuff is complicated. I know that it isn't accessible to laypeople who aren't subject matter. Experts but luckily we do have subject matter. Experts on our city staff who have told us that these changes bring additional complexity. To an already overly complex code and that the impacts are minimal. And I trust that expertise. Our imagine Austin comprehensive plan talks about creating more efficient, more predictable, understandable land development code. And the

[4:40:49 PM]

court stopped us short of doing that now, it feels like we're moving backwards. Frankly I appreciate some of the amendments that were brought forward today. I think they will help. Mhm. I really just. Feel so strongly about us making any future changes without much stronger lens of equity. So you know for now. You know, I like I said. I just very, very hesitantly support the item because I do believe you

know that we need to move forward, and I do believe that you know. Alice Velasco speaking to us yesterday was really impactful to me to think about somebody who you know, I talk all the time about how inaccessible city hall is and just hearing her story, you know her going from junior planner to the director of the department. You know, I think she's spent enough time in that role to amass the kind of

[4:41:50 PM]

knowledge a person would need to understand. You know which way to go in a decision that's as difficult as the one that I'm having to make today. I'm having to say yes to something that I think is wholly unfair, inappropriate and, frankly embarrassing that I have to, you know. Say it was what we could do. You know, it ain't great, but it was what we had, you know? I really hate that for us, and I look forward to very soon very soon in 2023 going back and making the necessary unilateral citywide changes. And making the commitment to not being a housing hesitant city because so much of our lack of production is absolutely by choice. And well, I'll leave it at that. Thank you. Thank you. Villa. I just want to echo council member are medicines, comments and, I'm 100% with her

[4:42:53 PM]

and again look forward to doing something a broader, more equitable and citywide. Ah and, it's a marginal step forward. I will say the one thing that really motivates me. Right now. We are starting to see a slowdown in building permits and a slowdown in housing housing because of interest rates and broader you know, economic issues and we really need to build through that. Slow down. If we're going to at all tackle our lack of housing supply and whatever marginal way these changes can improve that and maybe create some additional incentives and opportunities for folks to add supply. Let's get it done now. But we absolutely need broader changes, and I will continue to push for those on the diocese next year. Thank you. Because we're tovo. I cut you off before you can speak. You want to yeah, just very

[4:43:56 PM]

briefly. I had intended to support this. I think the balances are in the main good things. I think the changes really recognized. The need to loosen up the restrictions but also maintain some some level of protections as well and really create that important balance. As I indicated when we were discussing the short term rentals, I think that was an important component for a lot of constituents in my district and across the city so that that's the reason for my abstention. I want to congratulate everybody. Thank everybody for passing both 55 56. When we entered into working on the land development code eight years ago. We've we've spent so much time on it. And quite frankly, came close to getting things done. There were people then that suggested that our problem was is that we weren't willing to compromise. Ah! And probably. You know

[4:44:57 PM]

there. There could be some truth in that and has bc not always all the truth in that. Ah! But I do believe that work that was done today. Well ours to expand opportunities to build housing throughout Austin. Especially in various commercial Zones, providing mixed use affordable housing bonus. It's going to create more opportunities for walkable retail spaces. Ah this drives affordability of the 60% level for renters. Ah it's a bonus from similar to vm. You one which we see is now getting application. I hope that staff will come back with the information and the data so that we can move forward. 56 allows us to

ensure we had more housing along the light rail and prep bus rapid routes. How to set us up for greater success, and we

[4:45:58 PM]

would have otherwise. It has compatibility ending at 100 ft. For development among ah! Transit corridors when someone uses affordability and ends compatible er 200 ft by Wright. Went before our limitation was 500 ft. In this city. And in locations. It's gonna significantly reduced compatibility requirements on medium corridors. That reflects the consensus that we were able to achieve. Also provides for 60% affordable housing M F I. That work on affordability is equitable work. But as council member Harper's Madison points out, there is there is a longer way too. To go. And my hope is

[4:46:59 PM]

that this next council pushes to that. I do believe that this is going to help set up the opportunity for those moves. And I hope that and trust that it's going to be able to move further. But this move as you recall got 80% of the acreage along large and transit corridors, either with compatibility removed over produced over 60% for medium and that was before we took into consideration the increased limitations on. Compatibility limits by right so that number would be even higher if we asked staff to do that again. I just want to congratulate everybody for being able to get this done. Councilor yes, pro tem. Thank you, one of the things that I really learned through this

[4:47:59 PM]

process was the value. Of working with colleagues with different views and different approaches and different knowledge. As we approached the land use, issues. I don't think we do that. Enough. I think I've , you know, learned a tremendous amount of had opportunity to work with some of you on a D U rules, others on the compatibility. Others on the residential and commercial worked with former council member Garza. On the homestead act. I think when we take those opportunities, to work through some of the issues and understand on the ground what's going on in other people's districts? We are able to make progress that moves us forward. Again want to extend the invitation? I started with my remarks that I will be happy to meet with anyone who wants to talk about how you get more housing? In west Austin. This particular resolution may not have been the vehicle for that residential and commercial did make a big dent in that. Every

[4:49:04 PM]

tool that we use is not going to solve all of the problems at once. Which is why we have to look at all of the different all of the different tools and I think that we have made a lot of progress on on a lot of, different fronts, and so I'm glad that we're able to conclude this council with passing these two items. I think there's also value in in tying the increase in entitlements to affordability . We are getting, you know, affordable housing. In these areas where we most want them, and there is value in that. And we all know that if we weren't requiring this, we wouldn't get any of that. So I think there are a lot of different ways. Where where I think this, does move us forward and I look forward to continuing the conversations and I hope that we can continue. To work in ways that allow us to learn from one another. In ways that we maybe didn't always do during the code next process. Okay let's move on

[4:50:07 PM]

. We're beginning to run out of time. Let's hit the thing that most time sensitive to us now, which is Austin energy. Mayor Adler? Yes. I promise to be brief. I haven't said go ahead. I just wanted to piggyback on what mayor pretend just said, and I almost kept it to myself because I couldn't quite think of how to articulate it without it, sounding, whiny, and I think what I what I was thinking that I didn't articulate earlier is to that point mayor pro tem and everybody else on the day is I hope that as we are considering how to make things more fair that in the future feels like the equity component is as important to all of my colleagues. As it is to me, I want for you all to understand whether this is appropriate or not, whether it's real or not, that sometimes it feels like the equity items. Our mind. It feels like you know, we as a body

[4:51:08 PM]

sometimes operate indifference to me. To address inequity. And when I do that, I want to remind you I said this once before, when we were talking about another item a couple of years ago when I have to be the one to say equity equity equity equity equity. It makes me an easy target, and it makes it so that you know, I don't think it lands you know, on on the folks that need to hear it the most I need for us all to in unison, locked arms at the same rate of speed and ferocity. Talk about equity being our our north star that has to be for all of us, and not just some of us, and that's not accusations so much as me making a heartfelt plea. For us to all . Make sure that we're making it a priority. And then you know symbolism that that provides our constituents makes some of this hard stuff. A little bit easier. And that song. Mayor, can I make

[4:52:12 PM]

a comment? Council member harper-madison. I really appreciate you bringing that up. I think that's that's really important. I think what I'm hearing you say is something that, that I think this this council or the next council I should say can embrace I hope I can give some analogy from the way that we've been working with project connect. And cat metro. Ah project connect has been a conversation. And it's been a conversation about and you you. You contributed to that the other day that our joint meeting, but it's been a conversation about how equity has to be central to transportation. And not an add on but has to be integral to transportation, and it's taken. It's taken a couple of years of conversation with project connect to make that something

[4:53:12 PM]

that has been more front and center in the conversation. What I'm hearing you saying is we need the same or better kind of conversation when we're talking about housing. Or anything else for that matter from a council perspective, and so, I'll be happy to contribute with to that and the ways that I can being off council. Perhaps I can testify and support your efforts and the efforts of the whole council, which is which I think is your point. Ah ah, and a good point, to do that, I think it's I think it's I just want to say thank you for saying that and I think it's important and I hear what you're saying. Okay? Alright, let's. Often everyday. Let's get to Austin energy. Before we do so, may I postponed 36, please. Okay? Let's do 36. I

[4:54:15 PM]

moved postponement of 36 to next week. Okay is there any objection to postponing 36 till next week? 36 is postponed tone but. Be happy to take it up at the mayor indicated that he hadn't read it, and I just don't know fast all the time. It's gonna be a lot of debate. But if it's something that's. You can bring it up now, if you want to going to be a no vote on 36. Yeah, I so there's no there's a motion. There's a motion to postpone 36. The question is, do we want to postpone 36? Seconded by councilor member of pool anybody object to being postponed? Hearing none gets postponed till next week. Let's call up Austin energy mayor yes , you're probably going to do this as part of Austin energy, but I think what will be important for us to let people

[4:55:16 PM]

know fairly early in this conversation. What will be important for you and I know council member pool has been one of our leaders on this, so I think we're going to have to let people know fairly soon. What we expect to do today and not today . It's almost five o'clock. And so let's hear from Austin energy and see what they propose. And I don't know where we are. I know. I want to hear that. I definitely want to hear that. I'm just going to register right now. But I don't think I can vote today because I don't have anything in front of me to vote. Let's see if there's even a request that we vote today. Okay? MM hmm. And I say that cancer our kitchen because I my understanding is that there is no request for best about today. Yeah and I can amplify a little bit on that. I'm hoping that we are able to home in on direction

[4:56:17 PM]

for staff. Then they can go away and write the ordinance. We will talk about it on Tuesday further and that leaves us the opportunity on the eighth to take a final vote, and I would just remind the dais that I am on a plane on the ninth, so I will not be able to participate in our any deliberations. Should they happen have to continue over to Friday, the ninth thank you, councilor Paul. Staff go ahead. Afternoon marking brosqe, cfo of Austin energy. I'm gonna try to keep this really brief. As you know. On Tuesday during, hearing or the work session, I had presented three options to you. And then, we heard from councilman pool requesting a run where we phased in over three. That was, fourth option. And then we heard from the mayor pro tem about looking at. Maybe not or not giving a rate decreased to some of the

[4:57:20 PM]

higher tiers and also touched on some of the important issues or some of our interveners. So I'm just going to jump to that, that scenario. As you know, this is sort of what we're starting with, and sort of the disproportionality trying to fix. And you'll see current, 8 60 bills about just shy of \$100.99 dollars and 86 cents and the cap customer 79 69 so this is customer pulls option. I'm going to skip through that pretty quick. And this uses council member pulls proposal as amended by the mayor pro tem alter and it uses an increase of revenue requirements. 31.3 million. And that's achieved by reducing the general fund transfer from 120,000,215 million test year it moves customers classes to 40% unity, not far as our original proposal

[4:58:20 PM]

, but it does make progress on moving customers coaster their cost of service. We have separate rate structures for inside and outside cup customers in this scenario, and we have no decrease for those high use inside city residential customers in this scenario, and what? That that funding available. We use that

to fund in 2012 outside city customer agreement, and also gives us some funding for the cap expansion program. With that money has four tiers and three step increase in the customer charge from 14 to 15 and 16. And today on the graph, I'm just gonna show you the 14 15 and 16 looks very similar. The biggest differences as you increase that customer charge from 14 to 15 that increases the cap benefited the customer receives because that, customer charges waived so you'll get a lower cap bill with each succeeding year. So with

[4:59:22 PM]

that you can see with the \$14 customer charge, so this would be the first step in the in the three steps, what it looks like for inside city customers currently and what it would look like under scenario there with three so you can see rates go from four cents in that first year. Ah. Just over five cents in the second tier. And then since we removed customers who are getting a decrease that third tier now goes a 7.285 cents. And the third here comes in at 10.560, and you still have pretty good proportionality amongst those tiers. On that. And then for outside city customers, they're going from three tiers. The four tiers there are customers in his higher tiers who are getting decreases because we did not limit those customers. And their ranges from the first here is the same at four cents to 4.54125 point nine and then the

[5:00:26 PM]

7.7 cents in the fourth tier. And again, you get good proportionality amongst those tiers. Graphically this. This is what it looks like. So this is the inside city. Orange bar being the number of kwh are being sold. In that tier. The gold bar is the amount of revenue so you can see the first tier where it's below cost of service. That's that's benefit there of receiving sales in that first here. The second tier is a little bit closer to cost of service. So that Orange bar in the in the gold bar a little bit even and you get higher tiers. There you'll see. That's where the steepness of the price curve happens. And so using this scenario typical inside city nine cap customer 8 60 is a 108 92, so that's about the lesson or about \$9 increase versus where you started, which was about 14, or \$15 increase the cap customer goes to 84 19. And

[5:01:31 PM]

for the outside city again, you can see the proportionality where in the first two tiers, the sales are slightly higher than revenue. That's offset my slightly more revenues in the 3rd and 4th tier. You can see that the curves not quite a steep on the outside, since we did not limit the decreases. Outside city that customer would get about 100 and \$5 bill in cap would be about 88 91. And again each year as we increase that customer charge and decrease those energy rates, cap customers, get a higher benefit other program. And this is a chart that shows the steepness of that price curve. And so the Orange dotted line is inside city currently, and the yellow dotted line is outside city. You can see where the various options bring for a was council member pools without decreasing be eliminating inside city decrease or four B is where we

[5:02:32 PM]

do limit that. No, no decrease inside the city and its steepness is, slightly steeper than we currently have reference id city. So with that, I'll answer any questions. I have a question if it's okay, and I may have missed this. But is this presentation and backup because I did not see it online related to the item, and if it's not, could you make sure that it gets posted and sent to us as council members? Thank you. Yes.

Program. Thank you, excited about what this direction allows us, to do. I have one more proposal that I'd like you to think about and bring back to us on Tuesday, and it has to do with the general fund transfer. So. Is my understanding that under the revenue requirement there'll be certain years with the average is where we would not be able to exceed 1 15, even

[5:03:34 PM]

though 12% of revenue would be higher than that. There are a lot of nuances on implementing this process. But what I would like to see is that if we overshoot our revenue so you get your revenue requirement. And if you had a year like this year that was very hot, and you had a lot of extra revenue. That the first use for that extra money would be to make the general fund hole in terms of the transfer. In terms of Paul. I think that's more of a policy than a rate issue, but it would be a policy. That we would want to provide direction to adopt or something like that when we did this, so if as many of us expect we're going to have hot years, we would not have to have a drop. In the general fund relative to the 12% policy, right? So that is certainly we can look at budget season once we have a better sense of what revenues might be for the year, obviously, a sense that they percentage of revenues if we

[5:04:34 PM]

have hotter than normal year like we had 22 that pushes up what you multiply that amount by, right and we can certainly work with the city manager's office and city finance. On if there's enough revenues to increase that general fund transfer at the direction of a council during the budget season. Schiera visits the direction of council but in terms of what you put in the base if your revenues are high enough that you think you can do that or get short up. It might get short up after the fiscal year closes. I don't know what the best way to do it. Is what I'm asking you today is simply to think about how we could operationalize that. As direction for those of us who are uncomfortable with the notion that we would have to cap general fund at 1 15, right, well it's 1 15 in the test year. And then we have the formulas is a mirror point set that we would apply each year during the budget, and to the extent that we could go up to the 12% then then, then we could do that

[5:05:37 PM]

right. So if we had a lot more revenue, it would be more than 1 15, even with the lower that's right. We have a budget surplus, then that is a potential use of those funds. But I'd like to make that be. The first use of that surplus or the default use of that surplus at the appropriate time in the fiscal cycle. Thank you. Okay? That's our kitchen. I. I hear your request mayor pro tem and I'm curious about that, too. Would like to see that. But I'm also curious about, this is still a significant increase. For the public. 31 million, revenue. It's still it's you know, with all the other various pieces is still a significant increase. For the public and you know, and the mayor prop him mentioned that we may have some really

[5:06:37 PM]

good years, you know, in terms of the dollar amounts coming in, and I just for me. I would want to know what kind of options we would have to make to actually help out our be more helpful to our customers rather than that would be my first priority. As opposed to adding dollars back into the general fund transfer. Huh. Oh so I'm not certain if there's a way to do that. But but I would ask as you as you consider the mayor part Tim's request that you also consider. Is there a way in which we can, we can have our customers see the benefit of that. I really appreciate the effort that's been made so far,

particularly counselor pools effort. To get this down to 31 revenue 31 million revenue target there and the \$14 customer charge, but but I have to have to stay say that. I

[5:07:38 PM]

still. Concerned. About those levels. Because they still seem to me to be a significant impact on the public. And I don't have a solution at this point, but I would ask that you continue to think about that. So I don't know other other Michael. Others of my colleagues have raised other options for lowering, lowering that revenue amount from 31 million. And I'm I'm open to listening to that, I guess is what I'm saying. Pool. I wanted to thank Austin energy for working with the participants throughout, I guess the entire year pretty much. From one way they first began. So for working with the participants with council and our staff to get us to this proposal. And I know we've been on the phone all day kind of tagging one another with bits of information to, to kind of fill

[5:08:40 PM]

this out and going back and forth, so I really appreciate all of the concerted efforts. There is never a perfect solution. But I do feel is proposal gets us really, really close. These proposed changes capture the greatest number of average rate payers in the first two tiers and ensures that these customers come closer to paying the actual cost of service, which is a mandate under statute is my understanding about the cost of service. And if not a mandate, good public policy. The sharp increase at tiers three and four do don't do signal conservation that will hopefully either get customers to change their habits or invest in solar. The mayor. Pretends amendment allows us to capture extra revenue that will be able to provide additional community benefit and I want to thank her for bringing for bringing that forward. So it's direction to

[5:09:41 PM]

our staff. I would like to offer this proposal as Austin energy has presented tonight as the framework with the expectation that the parties can resolve any outstanding issues. It's my hope that council will have something we can vote on. Next week. We have a work session on Tuesday where we can have further discussions. And I hope as I mentioned before we, before we got to this item earlier this afternoon. That that leaves us facing a vote on December eight, which I recommend that we pursue. I will be off the diocese on the ninth should this meeting continue over into a second day next week and won't be able to be here so I would ask that we conclude these issues on December 8th priority to do thank everybody. It's been a really long road. Thank you, mayor. Okay? Do you need anything else from us? Do you

[5:10:41 PM]

want anything else for us? No mayor. Yes I do. We've we've had some proposals for lower revenue amount in a lower customer charge. So I just want to signal that I'm still thinking about that, and I may not be the only one. And so I wanna I want to have more of that conversation on on Tuesday. I just have one more question. When you do the comparison between your original proposal, and this proposal for next year you said the numbers. I think it was that you know, you would have been an increase on average of 15. And now it's at I believe it's around \$99, okay? So we've shaved off about \$6 and what it would have been from the initial proposal. And I think actually some of the changes in my view, since I wasn't as concerned about getting to 50% cost of service,

[5:11:43 PM]

I think in the longer run are going to help us. Next time have a little bit. Less problems, but I think we have to keep in mind that it is about a \$6 amount that we've been able to shave off through this process for the average rate pair and as well as increasing the conservation signals and addressing outside and, best to S 23 levels, so I think that is progress. It's not perfect. Obviously we'd all love to be able to give free energy, but it's not something we can do. As you get closer if you could, air out what the final proposal is so that the public has the opportunity to be able to react to it. Motion to postpone action on us and energy till next week, council member Paul makes that motions their second council member, Kelly second, that motion. Discussion on that motion because surrender to Mira. I had to step off.

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For a minute. I had a couple of things I wanted to say in a couple of directives. I wanted to ask the staff to consider. I see that we've had we have some folks here who have been here all day. Some of the interveners and I don't know what our plan is. I guess our plan is not to not to hear from them today, but I do think that was something we had signaled we might want to do today. No. Okay, stuff you want to share with us? Okay I do wanna I really appreciate this approach that we have before us . Of course. You know, I need some time to look through it. We haven't. We just received it and have to have to kind of work through it. But I would like to see I would like to see some melding of the approach that you have here. With a \$12 or \$13. And I'll I'll listen to my colleagues on that, but a \$12 customer charge, which is one of the things that I know, council member of Fuentes and I have talked about as well as a lower revenue requirement. I continue to think that there are some

[5:13:46 PM]

very rational arguments for the revenue requirement to be lower . And I would I would ask that those that this approach be melded with the runs that I asked you to look at last week, which were 22 million 27 million. And. Using I think the those who have signed onto the joint consumer to the joint the joint approach that was forwarded to us have asked that they be distributed in the same that the that they allocation be distributed in the same manner as which they have suggested it . Is that doable, Mr Dombrowski? Yes I we could we might need some direction. On where we would focus those reductions in spending in order to get that lower revenue requirement. Nuclear decommissioning or economic forward. I did you know forward that when I requested the runs initially, I think you disagreed with them. And we haven't we don't have time today to hash it out with the interveners, offering their opinion and E offering. There's but but I did identify

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identified those down to about 27.4. But again, I think we still have. I still haven't gotten a resolution on whether whether I accurately accounted and reduced for the amortization. For the contracting and overtime costs for winter winter storm. Every time we mention that I mentioned that I haven't gotten verification. I've done that correctly. But it would be great for somebody to let me know whether or not that's been done, and then the 22 to get it down to 22 or 20. I think it's going to take, there were not they were not. Specific line items identified. It was more in the nature of what we did in 2013, which was to identify that as a cost as a great impact mitigation strategy. There was a line item in the 2013.

That was a revenue requirement reduction noted as a rate rate mitigation. Strategy or something like that

[5:15:50 PM]

. I'm trying to think of the language. And that would be the nature of the additional cuts. If you need further direction for me or no, I clear. Thank you. I would just kind of echo what some of my colleagues have said and advance of next week. Speaking about this again, I would prefer to have a presentation ahead of time to review and I know that the public would as well just that we can all be on the same page and get as much feedback as possible. Because this is a very important decision. We all know that. But I just want to make sure that we're able to reach out to our constituency in the right way before casting votes. Thanks. Thank you for all of your hard work. We'll try and make that next time I hope is you can T up some of these issues for us on Tuesday. I feel badly here today. We're ending the meeting today and you've heard desperate comments from people on the day or so I'm not sure you leave here with with with real direction. But I would urge you not to consider what you hear from one or two people

[5:16:51 PM]

as direction or the sentiment from the day of says a whole. We just don't know the answer to that because other people didn't ah! Joined in on those issues. Yes, I heard. Council member pool? Yes what does that mean? Exactly I mean, I've asked them to provide some provide some information back. Are you suggesting. That we would need to vote on it for that to be. For that information to be generated? No, and I don't think I think pretty clear. I didn't say that. That's why I'm asking for clarification. No, I didn't tell him to be a vote on your request for information. Mayor mayor pool. I do think at this juncture, it's important for us to be fairly clear in the direction that we need to go so that we can conclude the settlement conversation that the clock is ticking. And the time

[5:17:52 PM]

is really short. And that is why I spent a good deal of time working with staff and others to come with the proposal that has been laid out, not just today. But on the message board. Previously we are pushing towards this end. And we don't have the luxury of ah, reopening everything. We should we then go through the over three things that were left on the table with respect to the to the revenue. Issue. You wrote a memo. The interveners wrote a memo shoot. Do we want to T those up and have a conversation about each of those three things? Yeah mayor, I don't wait. I don't think we have a full diocese. I think what we're do. I think council member tovo is laid out what her request is. Which is just to complete that information she's requested with regard to her target of 27.

[5:18:54 PM]

Million or so and is also asked to see what it would look like at a \$12 customer charge, so that's not that's all we're asking for, I think, and that's clearly clearly all we were asking for. I think that in a perfect world they're asking for greater direction than that. So they know how to work. Ah and they haven't heard from very many of the people who died. Could be the people dies. Aren't ready to do that yet. We obviously don't have a full diet. We're not going to be taking any votes. But the but they're leaving here today without much direction on whether 31 is something that that that that that people would consider to and I was asking is whether we wanted to get into that. We can certainly say no. And we're

not. My suggestion is you try to T F these issues for conversation by getting information out earlier, but at some point, we're gonna have to sit down, perhaps on those three issues and decide those three issues. With respect to okay to

[5:19:55 PM]

revenue, not desirous and doing it today and it very gets pushed to next week. That's all I've been sorry mayor pro tem for my colleagues who are who are focused in on the customer. The service charge piece. I would ask that you take a look at some of the runs that we've seen and look at the percentages, but also like what they would be charged on the whole because what they what they end up paying as a function of the customer charge and the rate. And if we don't find revenue rate decreases. It comes out about the same, but by lowering the customer charge, you're hurting the cap customers. You get that for they get that comped. And so. If you're not changing the revenue requirement, and you move that stuff around, you're not necessarily providing more relief to more people. It took a while to sort of figure that out, but you really have to look at that those charts and walk through

[5:20:55 PM]

that because if you only look at the customer charge, and you look at that percentage, you know you go from 10 to 15 and you say it's a 50% charge increase. But then when you combine it with, when you combine it with the rates. And then you look at what? Somebody who's paying, say 600 for 600 kilowatts. It's I think less than a 20% increase, and so it just overall for their bill, and so it is important to keep both of those things. So as you're figuring out how you're weighing the customer charge versus the total charge. I would just really encourage you to take a look at that data, which has been more apparent in some of the later more recent runs that we've seen. Kelly. Thank you. You know, we've all been sitting in here talking about this and going through it for a very long time. And as we've all done our own due diligence on the issue. I just want to see that I really support council member polls direction. I know that she has been a strong leader in this area. And while there may be

[5:21:56 PM]

questions related to the revenue requirement, I just know that where we're at right now seems like the best compromise for from what we're dealing with. So I just wanted to voice that I support that. Thank you for writing that direction council member Is I agree. I think some of the negotiating and compromising that's happening with council member Paul is working out really well. I also would just like to flag that we're heading into the dinner hour for the second day of deliberations, and we're heading into that area of people probably aren't watching and I want to make sure people have the opportunity to follow along as the deliberations progress, but I feel confident in some of the numbers that we're hitting. And just don't know how productive we will be. If we keep taking this on and on and on into the evening of the second day of the meeting, and I think by 10 P.M. R clock runs out entirely for a meeting, so I've never done that before and would like to not do that tonight. That would be good. I also support the direction chair that you're taking in these negotiations. Councilor kitchen.

[5:22:57 PM]

But I agree until just be very, very short. I just want to make it clear. I absolutely appreciate the work that council member Paul has done. And I appreciate what you're presenting. I'm just not there yet. You know, in terms of the dollar amount, and I appreciate what you're saying. Mayor mayor pretend, but I

have looked at the impact on families and I am I think the customer charge does hasn't have an impact on families. If nothing else, you're looking at cash flow and what they know they have to pay versus what they may have a little bit of wiggle room on and things like that can be important to lower income folks. And I know you know that I appreciate what you've looked at. I've looked at it also. And I still have these concerns, so I just want to lay that out. You know, I appreciate what's in front of us. It is way better than what we have. And I appreciate the work what we have what we started with. And I appreciate that work. I'm just saying, I'm not quite done and I'm just wanting to signal that and I'm interested in the ideas that council member tovo has put forward. I guess about as much

[5:23:57 PM]

direction as we can give you which mayor since we're talking about how much work folks start on, you know, I think it's important to recognize that we have we have multiple people in this community who volunteered. To be inter as part of their job, but also we have some who have been actively engaged in this just as community advocates who are intervening in this case and the work that you know some of the ideas that I have brought forward are are really there's and so you know, I think it's very important that we that we continue to explore this and see if we can get if we can get to a better outcome because you know, I think we can do better than the than the 30. I think there's rationale to go below the 30 million, revenue requirement. And I do think there are are our other other methods we can achieve. And what we haven't had an opportunity yet is to do is to combine some of the some of the work we initiated last week with the approach that we just received here today, so that

[5:24:58 PM]

that is important. Okay any objection to postponing this item till next week? Hearing that this item is postponed to next week. And I would like to ask mayor that we carve out some time to ask questions of some of the folks who have intervened and have different opinions on some of these issues that we're going to be discussing, different opinions, then do so that we can really get a dialogue that helps inform our choices. I think that's good. We take a look at the agenda next week. Let's take a look at all the fcs and see which ones we want to consider. In which ones we don't how we want to spend the time. So that we have done because there will be a limited day. You know, limited time, so let's when we get the schedule is take assessment of it and make sure that that we have a agenda that works for us. About 30. I fcs so I'm not sure we're actually going to be able to live rumple. We'll figure out a process to figure out which one everybody's entitled to a vote.

[5:25:59 PM]

But we may figure out a way for us to be able to move through. I fcs more quickly. Well, we could just take them all on consent. That would be one way to do it. Okay. Anything else? Alright without this meeting is adjourned and it is 5 26.