



**February 1, 2024**

## Questions and Answers Report



Mayor Kirk Watson

Council Member Natasha Harper-Madison, District 1

Council Member Vanessa Fuentes, District 2

Council Member José Velásquez, District 3

Council Member Josè “Chito” Vela, District 4

Council Member Ryan Alter, District 5

Council Member Mackenzie Kelly, District 6

Mayor Pro Tem Leslie Pool, District 7

Council Member Paige Ellis, District 8

Council Member Zohaib “Zo” Qadri, District 9

Council Member Alison Alter, District 10

*The City Council Questions and Answers Report was derived from a need to provide City Council Members an opportunity to solicit clarifying information from City Departments as it relates to requests for council action. After a City Council Regular Meeting agenda has been published, Council Members will have the opportunity to ask questions of departments via the City Manager's Agenda Office. This process continues until 5:00 p.m. the Tuesday before the Council meeting. The final report is distributed at noon to City Council the Wednesday before the council meeting.*

## **QUESTIONS FROM COUNCIL**

### **Item 3**

Approve an ordinance ordering special municipal elections to be held for six different areas in the City of Austin on May 4, 2024, on the question of disannexing each of those six areas; providing for the conduct of the special elections; authorizing the City Clerk to enter into joint election agreements with other local political subdivisions as may be necessary for the orderly conduct of the elections; and declaring an emergency.

#### **COUNCIL MEMBER ALISON ALTER'S OFFICE**

*1) What is the estimated date at which the additional election day polling sites will be determined?*

The deadline to order an election is February 16 for entities in Travis County. The county has informed us they anticipate having 24 Early Voting sites and 144 Election Day sites; it is all dependent on the number of entities that will contract with Travis Co. for the May Election.

*2) Can staff please provide an estimate of the cost to hold these elections and an estimate of the cost to the city of these disannexations in terms of tax revenue and staff costs to administer this process?*

It is difficult to provide an accurate cost estimate until the county knows how many entities will participate in the May election, considering the disannexation will only occur in Travis Co. we estimate the cost to be \$200-250k.

Disannexations will not result in loss of City property tax revenue at the voter-approval rate. However, it will marginally increase the property tax burden on all other property taxpayers due to the same total revenue being raised from a slightly smaller tax base. In FY24, the property tax levy from properties in these areas was approximately \$4.8 million. City staff will continue to manage the process through our current appropriation and do not anticipate any additional costs beyond the cost of holding the election.

### **Item 9:**

Ratify a contract for emergency management consulting and disaster response services with Tetra Tech, Inc., in the amount of \$85,000, and authorize an amendment for continued services in the amount of \$630,000, for a revised total contract amount not to exceed \$2,138,140.

#### **COUNCIL MEMBER ALISON ALTER'S OFFICE**

*1) For how much of our Storm Maria expenses do we anticipate eventual FEMA reimbursement?*

A total of \$51 million will be submitted by the City to FEMA for winter storm Maria costs. Staff is estimating \$38.3 million, or 75% of the total, will be reimbursed.

## Items 11-21

Housing tax credit application resolutions.

### COUNCIL MEMBER ALISON ALTER'S OFFICE

- 1) *Each of the proposed developments being considered by the Council is recommended by our staff and meets the TDHCA scoring criteria as well as the 7 criteria aligned with City priorities. As each of these projects meets state and City of Austin criteria, can staff confirm that we can support each of the applications as posted?*

Staff recommend that each of the proposed developments receive a resolution of support. Council is able to support each proposed development and is not limited in the number of resolutions of support it can provide.

- 2) *What are our risks if we were to reject any specific project or favor any particular project?*

If a proposed development does not receive a resolution of support from City Council, then according to §11.3 (c) of TDHCA's Qualified Allocation Plan, the project's application would be ineligible to receive a 9% LIHTC award this program year. This section applies to any proposed development in a municipality which had more than twice the state average of units per capita supported by LIHTC or private activity bonds, which applies to the City of Austin.

Approval of a resolution of support for any proposed development does not guarantee that it will receive an award of 9% LIHTCs. The LIHTC award process will include a lengthy technical review of the application by TDCHA for months after Council meets. Evolving market conditions as well as minor errors, oversights, or unexpected project changes have contributed to applications being withdrawn or denied by TDHCA in the past.

If Council chooses to deny a request for support for a specific proposed development, then that development is guaranteed to be ineligible under the 9% LIHTC program and cannot be revived this program year. Any proposed development receiving support, on the other hand, is not guaranteed to receive an award. If Council denies one proposed development in an effort to favor another, there is a risk that neither receive an award.

- 3) *Has the City of Austin ever considered a LIHTC application in District 10 in the past?*

Dating back to 2013, staff have identified three 9% LIHTC applications which were considered by Council.

On March 20, 2014, Council approved Resolution No. 20140320-025 in support of Cardinal Point, located at 11017 Four Points Drive, Austin, TX 78726 (presented to Council as 11108 and 11300 Zimmerman Lane). The applicant did not submit a 9% application to TDHCA that year. On February 12, 2015, Council approved Resolution No. 20150212-027 in support of the same proposed development. Cardinal Point was awarded 9% LIHTCs that program year and is currently listed on TDHCA's active LIHTC inventory.

On February 25, 2016, Council approved Resolution No. 20160225-018 in support of two rehabilitations of multi-family housing supported by 9% LIHTCs, including Summit Oaks Apartments located at 11607 Sierra Nevada Lane, Austin, TX 78759. This development was later awarded 9% LIHTCs and is currently listed on TDHCA's active LIHTC inventory.

On February 6, 2020, Council approved Resolution No. 20200206-026 in support of Milo Ridge, located at 3500 Hyridge Drive, Austin, TX 78759. This applicant did not submit a 9% LIHTC application to TDHCA after the Council resolution was approved.

*4) Are staff aware of any existing LIHTC properties in District 10?*

There are a limited number of subsidized, income-restricted housing units in District 10. TDHCA's current Housing Tax Credit Inventory shows two active 9% LIHTC properties within the current boundaries of District 10. Those are 120-unit Cardinal Point (11017 Four Points Dr. Austin, TX 78726) and 24-unit Summit Oaks Apartments (11607 Sierra Nevada Lane, Austin, TX 78759).

*5) Does the City have any existing policy direction to affirmatively further fair housing or to support the creation of affordable housing in high-opportunity areas?*

The City of Austin considers the geographic distribution of affordable housing throughout Austin to be a key core value in the investment of affordable housing-related activities with federal and local funds. The City supports providing affordable housing in areas outside of low-income neighborhoods, thereby reducing racial and ethnic segregation, deconcentrating poverty, and providing for more economic opportunities for low-income households. Additionally, the City of Austin's Strategic Housing Blueprint reinforces the importance of geographic dispersion and increasing the diversity of housing choice and supply.

*6) Is there any other information that staff believes would be helpful for the Council to understand as we consider these applications?*

Council will not have an opportunity to reconsider requests for 9% LIHTC support later this year. Applicants must submit full applications to TDHCA on March 1, 2024, by which time all signed resolutions must be included in the application.

## **Item 23:**

Approve an ordinance related to pay and benefits for officers of the Austin Police Department.

### **COUNCIL MEMBER VANESSA FUENTES' OFFICE**

*1) Please provide a cost analysis/projection for the proposed police/cadet pay ordinance.*

- Increased Field Trainings Officer pay from \$175 per month to \$245 per month; (\$80,000 for remaining 6-months in FY 24 and \$160,000 annual cost)
- Maintaining base pay and other pay and benefits at the current levels; (In APD's FY 2024 Base Budget, no additional cost)
- Continuing an incentive program for police cadets as described in PART 4 (A); (In APD's FY 2024 Base Budget, no additional cost)
- Creating incentives for the Austin Police Association to engage in substantive meet and confer negotiations and to reach a meet and confer agreement with the City as described in PART 4 (B) & (C).
  - (One-time lump sum payment of \$500 to each Officer; cost assuming 1,500 filled sworn positions is \$807,375)
  - (One-time lump sum payment of \$2,500 to each Officer; cost assuming 1,500 filled sworn positions is \$4,036,875)

2) *Under the cost analysis/projection for the proposed police/cadet pay ordinance, please also include the associated costs for the items being maintained and continued.*

**New Pay Enhancements**

- Increased Field Trainings Officer pay from \$175 per month to \$245 per month; (New Cost)
  - \$80,000 for remaining 6-months in FY 24 and \$160,000 annual cost
- Creating incentives for the Austin Police Association to engage in substantive meet and confer negotiations and to reach a meet and confer agreement with the City as described in PART 4 (B) & (C). (New Cost)
  - One-time lump sum payment of \$500 to each Officer; cost assuming 1,500 filled sworn positions is \$807,375 (FY24 General Fund operating budget)
  - One-time lump sum payment of \$2,500 to each Officer; cost assuming 1,500 filled sworn positions is \$4,036,875 (new cost to add to APD FY25 operating budget)

**Maintain & Current Pay as previously Approved**

- Maintaining base pay and other pay and benefits at the current levels; (APD's FY 2024 Budget)
  - Base wage pay will continue and include the four percent increase as approved and implemented mid-year FY 2023: The FY 2024 Budget includes \$8,366,010 for full-year funding for 4% base wage increase for all sworn personnel including a new 3% base pay step increase at year 23 as approved and implemented mid-year FY 2023.
  - Financial incentive lump sum payment to all sworn personnel in the amount of \$2,500 to be paid in January 2024 and October 2024: FY 2024 Budget includes \$4,171,438 and will continue in the FY 2025 Budget
  - The specialty pay stipends such as longevity, field training officer, mental health certification, field training officer, bilingual pay, clothing allowance, certification and education, and shift differential are all included in the FY 2024 Budget.
- Continuing an incentive program for police cadets as described in PART 4 (A); (APD's FY 2024 Budget)
  - Financial incentive of up to a total of \$15,000 for cadets for future APD academy classes and the FY 2024 Budget includes \$2,570,144.

3) *Please also provide the sources of funding for the proposed policy/cadet pay ordinance.*

FY 2024 General Fund Operating Budget or as noted above.

**Item 25:**

Approve an interlocal agreement with Travis County on a planning and implementation partnership for the Northeast Planning District.

COUNCIL MEMBER RYAN ALTER'S OFFICE

*1) Please provide a copy of the draft interlocal agreement and indicate if this has already been approved by Travis County.*

This item will be moved to a later City Council meeting. An ILA has not yet been negotiated with Travis County.