



May 2, 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

Items 4 and 5:

Approve a resolution adopting a Drought Contingency Plan as required by the Texas Commission on Environmental Quality and repealing Resolution No. 20160505-004, which adopted a revised Drought Contingency Plan. Related to item #6.

Approve a resolution adopting the Water Conservation Plan, as required by the Texas Commission on Environmental Quality, and repealing Resolution No. 20190411-002, which adopted the Utility Profile & Water Conservation Plan for Municipal and Wholesale Water Use. Related to Item #6.

MAYOR PRO TEM POOL'S OFFICE

1) How were the goals in the Water Conservation Plan set?

The Total Gallons Per Capita Daily (GPCD) goals were established through a bottoms-up approach:

- estimating how much additional water savings could be obtained from new and expanded activities over the next five and ten years;
- calculating the volume of water that must be saved to reach specific GPCD goals; and
- comparing the additional volumes that Austin Water anticipates saving with the volumes that must be saved to meet the goals.

The selected goals (123 Total GPCD in 2029 and 116 Total GPCD in 2034) represent an annual decline of 0.75% through 2029 and 1.25% through 2034. Goals for Residential GPCD were established through the same bottoms-up approach and annual rate of decline in water consumption.

These GPCD goals will require significant additional effort from Austin Water and the community but can be achieved, providing water demand savings that can be counted on to meet the community's needs in our water supply plan.

Finally, the Water Loss GPCD and the Infrastructure Leakage Index (ILI) goals were developed by Austin Water staff and an external consultant, based on activities such as the My ATX Water meter deployment and improvements in production meeting at the treatment plants.

Austin Water is seeking approval of its Water Conservation Plan and the Drought Contingency Plan in order to meet regulatory requirement deadlines to submit to TCEQ and TWDB by May 2024. Austin Water is committed to additional community and stakeholder engagement and will bring back any updates to the Water Conservation Plan and Drought Contingency Plan alongside the 2024 Water Forward plan to the City Council in November 2024 for their consideration.

Upon the Council's adoption of the updated Water Conservation Plan and Drought Contingency Plan, Austin Water will resubmit the updated plans to the TCEQ and the TWDB.

2) Why are the updates to the Water Conservation Plan and Drought Contingency Plan needed now?

Both the Water Conservation Plan (WCP) and the Drought Contingency Plan must be updated every five years and are due to the Texas Commission on Environmental Quality by May 1. TCEQ has allowed Austin Water a 30-day extension, bringing the due date to May 31. In addition, the City's DCP must be consistent with, and at least as restrictive as, the Lower Colorado River Authority's DCP. Since the LCRA adopted an updated DCP on March 27, AW has updated the City's DCP accordingly to align with the LCRA's plan. Finally, AW staff recommend adoption of the updated WCP and DCP on May 2, in order to provide critical guidance to the community as we enter the hot summer months during ongoing drought conditions.

Austin Water is committed to additional community and stakeholder engagement and will bring back any updates to the Water Conservation Plan and Drought Contingency Plan alongside the 2024 Water Forward plan to the City Council in November 2024 for their consideration. Upon the Council's adoption of the updated Water Conservation and Drought Contingency Plans, Austin Water will resubmit the updated plans to the TCEQ and the TWDB.

3) How does not having a plan filed affect our status with TCEQ?

The Drought Contingency Plan (DCP) and Water Conservation Plan (WCP) are both due on May 1, and TCEQ has allowed Austin Water a 30-day extension. After May 31, the City will receive a Notification of Deficiency related to the DCP. If a DCP is not submitted within 30 days thereafter, the matter could be referred for further enforcement action. In addition, not submitting a WCP by May 1 jeopardizes the City's eligibility for financial assistance from the Texas Water Development Board (TWDB), and Austin Water currently has a pending application for funding from the TWDB SWIFT program. AW's communications with TWDB staff have indicated that submitting the WCP within the month of May should resolve this concern.

After submitting the required plans to TCEQ by the May deadline, Austin Water plans to engage the community to have additional Water Conservation Plan and Drought Contingency Plan conversations. Any proposed revisions would return to the City Council in November 2024 alongside the 2024 Water Forward plan for Council adoption. Austin Water will resubmit any needed updates to the Water Conservation Plan and Drought Contingency Plan to the TCEQ and the TWDB, to align with the Water Forward 2024 updates.

4) How will Austin Water make sure that the Water Conservation Plan is aligned with Water Forward?

AW is committed to working with the Water Forward Task Force and the community during Summer 2024 to identify specific water conservation strategies to achieve near-term, ten-year water demand goals. Any resulting updates to the water demand goals will be included in an updated Water Conservation Plan to be completed by Fall 2024. Descriptions of the identified water conservation strategies, including water savings targets, costs, and resource requirements, will be included in both the Water Forward plan recommendations and in the updated Water Conservation Plan. Austin Water plans to bring the 2024 Water Forward plan and updated Water Conservation Plan before Council in November 2024 for their consideration.

Upon Council's adoption of the updated Water Conservation Plan, AW will resubmit the updated plan to the TCEQ and the TWDB.

5) How do the Water Conservation Plan and Drought Contingency Plan plans address residential irrigation?

The Water Conservation Plan addresses residential irrigation through various non-regulatory activities: irrigation audits, irrigation education, incentives focused on irrigation efficiency, and rebates for the conversion of landscapes from turf to beds with native and adaptive plants. Furthermore, the Drought Contingency Plan contains regulatory requirements that affect irrigation. The DCP requires a limited irrigation schedule in the Conservation Stage through Drought Stage 3. In Drought Stage 4, all residential irrigation of turfgrass is prohibited and irrigation of beds is limited to one time per week.

After submitting the required plans to TCEQ by the May deadline, Austin Water plans to engage the community to have additional Water Conservation Plan and Drought Contingency Plan conversations. Any proposed revisions, including desired updates to residential irrigation provisions, would return to the City Council in November 2024 alongside the 2024 Water Forward plan for Council adoption. Austin Water will resubmit any needed updates to the Water Conservation Plan and Drought Contingency Plan to the TCEQ and the TWDB, to align with the Water Forward 2024 updates.

6) How does Austin Water notify the public about the importance of saving water; and how will Austin Water advance community awareness of these new plans?

Austin Water, in its commitment to water conservation, actively involves the community. The majority of our marketing budget, approximately \$800,000, is dedicated to conservation-related messaging, emphasizing the importance of every individual's role in saving water. We anticipate participating in 100 community outreach and public events by the end of the fiscal year, further fostering a sense of shared responsibility.

Specifically, Austin Water promotes conservation messaging throughout the year with print, radio, and digital advertising in multiple languages through many outlets, such as Community Impact, KUT/KUTX, Sun Radio, Waterloo, and Audacy. Austin Water is also committed to educating and empowering our community about water conservation. We offer educational tracks through the Dowser Dan School Assembly Program (PreK-5th grade), a partnership with Colorado River Alliance's Colorado River Mobile Classroom (middle school and community events), and the Regional Science Fair. These initiatives aim to inform and empower our community, ensuring a sustainable future for our water resources.

Other advertising and opportunities used throughout the year include:

- Interviews and sponsored articles (Community Impact, Austin Common, etc.)
- Social media accounts and advertising through X, Facebook, and Instagram, as well as YouTube
- AW's Website and Speak Up Austin
- Next Door
- Virtual Lunch & Learns

- New customer emails and other messaging through the My ATX Water Customer Portal
- City of Austin Utilities Now Newsletter
- Messaging on Utility bills
- Community Events and presentations to stakeholders
- Mailouts directly from AW's Water Conservation Division, including Enforcement warning and citation postcards, and
- Annual events such as the WaterWise Irrigation Professionals Seminar and the Central Texas Water Conservation Network Symposium.

Austin Water will utilize these mechanisms to continue to advance awareness and buy-in for the Water Conservation Plan and the Drought Conservation Plan.

7) Can you explain how Austin Water's conservation rules are more stringent than state or LCRA rules?

Austin Water (AW) goes above and beyond in our approach to water conservation. For example, the Lower Colorado River Authority (LCRA) recently updated its plan to limit watering to once per week in drought Stage Three. Since 2016, AW has limited watering to once per week year-round, during non-drought and all drought stages. Additionally, LCRA's updated plan declares Drought Stage One at 1.1 million acre-feet (AF) of combined lake storage. AW maintains an earlier response to drought by starting Stage One at 1.4 million AF.

Another highlight of AW's longstanding commitment, while not a State or LCRA requirement, is through our progressive and conservation-minded water rate structure. This began in the mid-90s with four tiers and was expanded to five tiers in 2010, all of which significantly increase water costs to incentivize conservation and penalize water waste and abuse. This approach is also applied to our water violation fine structure.

8) Is Austin Water's policy and vision more conservative than the state standard?

AW is an industry leading utility for our policy and vision to safeguard, conserve, and protect our water supply. The following highlights indicate the breadth of our commitment beyond what is required by the State and LCRA:

- Increased water efficiency standards in commercial buildings, which includes cooling towers, car washes, and commercial irrigation
- Employing full-time staff to enforce watering restrictions and respond to customer reports of water waste, including temporary resources brought in to augment during times of drought and increased regulations
- Launch of the GoPurple Program to increase the use of reclaimed water and make water usage more sustainable, including affordability and funding strategies
- Requiring water benchmarking for commercial development projects to identify opportunities to reduce potable water needs, including conservation, connection to AW's centralized reclaimed water system, and onsite water reuse
- Recent rejuvenation and success of the "Bucks for Business" commercial conservation program
- Advancing Austin's smart metering system, My ATX Water, which gives customers the power of near real-time water usage information and notifications about their home's water use patterns

- Participation in the JD Power US Water Utility Residential Customer Satisfaction Study to understand customer sentiments and overall comparison for quality and reliability, price, billing, communications, and water conservation with similar-sized utilities nationwide
 - Last year, AW ranked number 2 in the nation for utilities of similar size for conservation program awareness and electronic communications
- Focused communication and marketing strategies, which encompasses a significant annual investment dedicated to conservation and drought-related messaging, emphasizing the importance of every individual's role in saving water. AW plans to participate in 100 community outreach and public events by the end of the fiscal year and also provides the following:
 - Print, radio, and digital advertising in multiple languages
 - Educational tracks through the Dowser Dan School Assembly Program (PreK-5th grade), a partnership with Colorado River Alliance's Colorado River Mobile Classroom (middle school and community events), and the Regional Science Fair
 - Media outlet interviews and sponsored articles
 - Social media accounts and advertising through X, Facebook, and Instagram, as well as YouTube and NextDoor
 - AW's Website and Speak Up Austin
 - Virtual Lunch & Learns
 - New customer emails and other messaging through the My ATX Water Customer Portal
 - City of Austin Utilities Now Newsletter and other messaging on Utility bills
 - Community Events and presentations to stakeholders
 - Mailouts directly from AW's Water Conservation Division, including Enforcement warning and citation postcards
 - Annual events including the WaterWise Irrigation Professionals Seminar and the Central Texas Water Conservation Network Symposium

Item 11:

Approve an ordinance authorizing the issuance of Tax-Exempt Program Notes, to be issued in the form of commercial paper notes and direct purchase notes, in a maximum principal amount at any one time outstanding not to exceed \$600,000,000, to provide short-term financing on utility projects; approve the execution of all related agreements, including an Amended and Restated Revolving Credit Agreement and an Amended and Restated Note Purchase Agreement, each with JPMorgan Chase Bank; and approve and authorize all related documents, agreements, and fees related to the City's Combined Utility Systems Tax-Exempt Program Notes.

COUNCIL MEMBER ALISON ALTER'S OFFICE

1) The RCA states, "Goldman Sachs & Co. (Goldman) currently serves as Dealer for the Program Notes, but the City is no longer able under Texas law to execute a Dealer Agreement with Goldman, as Goldman is not able to make certain representations to the City as required under the provisions of Chapters 2274 and 2276, Texas Government Code." Please provide further clarification on what specifically in chapters 2274 and 2276 disqualifies Goldman. To what extent is this change in state rules adding costs to the City?

Chapters 2274 and 2276 require companies seeking to enter into contracts with government entities to verify that they do not at the time of entering the contract (and will not during the term of the contract) discriminate against firearm entities or boycott energy companies. These verifications are required to be included in the contracts and are also required to be submitted in a form verification letter from the company to the Attorney General of Texas. Goldman does not have a form verification letter on file with the AG.

There is no anticipated increase in cost to the City incurred by changing Commercial Paper dealers.

Item 12:

Approve an ordinance authorizing the issuance of Taxable Commercial Paper Notes, to be issued in the form of commercial paper notes and direct purchase notes, in a maximum principal amount at any one time outstanding of \$100,000,000 to provide short-term financing on utility projects; approve the execution of all related agreements, including a Revolving Credit Agreement and a Note Purchase Agreement, each with JPMorgan Chase Bank; and approve and authorize all related documents, agreements, and fees related to the City's Combined Utility Systems Taxable Program Notes.

COUNCIL MEMBER ALISON ALTER'S OFFICE

1) The RCA states "The City is no longer able under Texas law to execute liquidity agreements with Barclays, as Barclays is not able to make certain representations to the City as required under the provisions of Chapters 2274 and 2276, Texas Government Code" Please provide further clarification on what specifically in chapters 2274 and 2276 disqualifies Barclays. To what extent is this change in state rules adding costs to the City?

Chapters 2274 and 2276 require companies seeking to enter into contracts with government entities to verify that they do not at the time of entering the contract (and will not during the term of the contract) discriminate against firearm entities or boycott energy companies. These verifications are required to be included in the contracts and are also required to be submitted in a form verification letter from the company to the Attorney General of Texas. Barclays does not have a form verification letter on file with the AG.

The service associated with this agreement will expire September of this year, which is prompting this Council action. The cost of this service (liquidity to support a commercial paper program) is driven by a variety of factors including prevailing market interest rates and the bank's own cost of capital, Austin's underlying bond ratings, and the size and complexity of the Commercial Paper program. Given the increase in interest rates over the last several years, the cost for banks to provide liquidity has increased. It is not possible to state definitively if state law changes have increased costs to the City since costs have generally increased for this service because of prevailing market conditions. In addition, the City's Financial Advisor reviewed the proposal from JPMorgan to ensure that their costs are fair and reasonable given the City's credit ratings.

Item 20:

Authorize negotiation and execution of amendments to two contracts for continued customer care and billing system hosting, maintenance, and support with Oracle America, Inc., to extend the term by three years and increase the amount by \$33,400,000, for revised total contract amounts not to exceed \$48,005,332.

COUNCIL MEMBER ALISON ALTER'S OFFICE

1) What is AE's plan to upgrade the billing system to allow new price signals that would be triggered by a real time rate structure?

The Austin Energy billing system is designed to function in a wide range of complex billing scenarios, including time-of-use electric rates. It has been developed to allow modules to be added with relative ease. Industry standards support billing systems that focus on out-of-the-box capabilities and integrate with other services that are designed for specific purposes. Austin Energy's billing system is hosted by one of the largest companies within the billing industry and has 80+ integrated services.

All City utilities can introduce rate changes and structure changes. The planned upgrade drives continuous improvement of our system, functionality, and increased capabilities. New modules or customizations are evaluated carefully, with consideration given to additional complexity, increased costs, and the implementation time required. The system is also capable of multiple rate structures for billing rates related to other City Utility department rates.

Item 35:

Authorize negotiation and execution of an amendment to a contract for continued parking operations management services for Austin-Bergstrom International Airport with SP Plus Corporation d/b/a SP+, to increase the amount by \$25,000,000 and to extend the term by up to 37 months, for a revised total contract amount not to exceed \$115,639,880.

COUNCIL MEMBER ALISON ALTER'S OFFICE

1) How much parking revenue does ABIA earn each year?

Below, please find parking revenue since Fiscal Year 2021 for AUS owned parking.

Fiscal Year	AUS Parking Revenue
2021 - Actual	26,594,169
2022 - Actual	55,818,051
2023 - Actual	66,171,285
2024 – YTD (FEB)	27,563,232

Item 43:

Authorize negotiation and execution of an amendment to the agreement with Austin-Travis County Mental Health and Mental Retardation Center d/b/a Integral Care for renovating the Bungalows at Century Park (formerly known as the Texas Bungalows Hotel and Suites) located at 13311 Burnet Road, Austin, Texas to add an additional \$2,323,526.59, for a total contract amount not to exceed \$4,084,739.02.

COUNCIL MEMBER ALISON ALTER'S OFFICE

1) Please provide the total amount of public funds that Council has previously authorized for the purchase, repair, maintenance, and operation of this facility.

The following table breaks down the funds authorized to date by City Council for this facility. Although it is anticipated that the Housing Department will enter into a Management Agreement with Integral Care for the ongoing maintenance and operation of the facility, that agreement has yet to be negotiated and executed and no council action has been taken on the Management Agreement to date.

Item/Date	Council Action	Authorized Funding
Acquisition, January 27, 2021	Council authorized negotiation and execution of the purchase of the property located at 13311 Burnet Road, Austin, Texas 78727. The purchase was executed on July 30, 2021.	\$6,700,000
Contract with Integral Care for renovation, Feb 3, 2022	Council authorized negotiation and execution of a contract with Integral Care to fund renovations at the Texas Bungalows Hotel and Suites located at 13311 Burnet Road, Austin, Texas 78727, a hotel conversion project to create permanent supportive housing, for a one-year term.	\$1,364,210.40
Renovation Contract Amendment #1, August 31, 2023	Council authorized negotiation and execution of an amendment to the agreement with Integral Care for renovating the Bungalows at Century Park to extend the term of the agreement to May 30, 2024, and provide for an additional extension of the term if needed.	No fiscal impact
Renovation Contract Amendment #2, December 1, 2023	Council authorized negotiation and execution of a second amendment to the agreement with Integral Care for renovating the Bungalows at Century Park to add an additional \$397,002.03 for a total contract amount not to exceed \$1,761,212.43.	\$397,002.03 added Total contract: \$1,761,212.43
Renovation Contract Amendment #3, <i>anticipated</i> May 2, 2024	Authorize negotiation and execution of an amendment No. 3 to the agreement with Integral Care for renovating the Bungalows at Century Park to add an additional \$2,323,526.59 for a total contract amount not to exceed \$4,084,739.02 and to extend the term of the contract through Dec 31, 2024.	\$2,323,526.59 added Total contract: \$4,084,739.02

2) Please identify the total amount spent to date from the total amount of public funds previously authorized, and please include the amount of previously authorized funds that remain unspent.

The following table outlines the funds authorized, spent, and remaining for the renovation of the facility to date.

Total amount of funds authorized to date for renovations:	\$1,761,212.43
Total amount of authorized funds spent to date for renovations:	\$437,826.25
Total amount of authorized funds remaining to date for renovations:	\$1,323,386.18

3) Please provide additional information regarding which repairs to this facility were anticipated when the building was purchased, and please identify which repairs have been unanticipated. Please provide an estimate of the cost of any anticipated repairs and please include an estimate of the total cost of repairs that were not anticipated at the time of purchase.

The following table outlines the major scopes of work included in the renovation construction contract with the original construction budget and current construction budget for each item. The major increases in construction cost reflected below are due to repairing damage resulting from flood and hailstorm events that occurred throughout the construction period and repairing damage resulting from performing necessary foundation repairs that were not anticipated at the time of acquisition and the initial renovation construction contract.

Scope of Work	Original Construction Budget	Current Construction Budget	Notes
Interior Design	\$46,900.00	\$66,900.00	Additional scope required due to 2023 flood event
Interior Construction	\$610,000.00	\$1,133,556.00	Additional scope required due to 2023 flood event
Exterior Design	\$56,300.00	\$56,300.00	No change
Exterior Construction	\$271,142.00	\$301,728.18	Price escalation
Exterior Repairs Investigation	NA	\$307,624.00	Investigation is required to repair exterior damage resulting from foundation repairs performed
Exterior Repairs Allowance	NA	\$1,200,000.00	Allowance based on worst case anticipated
Vinyl Flooring	\$100,000.00	\$140,600.00	Price escalation
Floor Storage	NA	\$4,200.00	Construction delays due to flooding caused the need to store purchased material
Appliances	\$25,000.00	\$25,000.00	No change
Art from the Streets	\$5,000.00	\$5,000.00	No change
Dumpster	\$2,500.00	\$2,500.00	No change
Office Furniture	\$10,000.00	\$25,000.00	Updated per drawings and pricing
Movers	\$10,000.00	\$10,000.00	No change
Blinds	NA	\$15,000.00	Not originally anticipated
Roof	NA	\$110,541.00	Replacement required after hailstorm, insurance deductible not met

Total Construction Price	\$1,136,842	\$3,403,949.18	
20% Contingency	\$227,368.40	\$680,789.84	
Total Contract Amount	\$1,364,210.40	\$4,084,739.02	
Total Estimated Unanticipated Expenses		\$2,720,528.62	Primary cost drivers are repairing damage due to flood and hailstorm events and damage resulting from performing necessary foundation repairs that were not anticipated at the time of acquisition and the initial renovation construction contract.

4) Please provide any documentation on the information related to anticipated repairs that were provided to Council at the time of purchase.

On Jan 27, 2021, Council was provided with two documents related to the acquisition of the Texas Bungalows Hotel at 13311 Burnet Road, Austin, TX 78727. These documents include a memo from Alex Gale, (former) Officer, Office of Real Estate Services and Dianna Grey, (former) Homeless Strategy Officer, Austin Public Health, as well as letters of interest from Caritas of Austin and Integral Care to operate the building. A map of the property was also included. Council approved the purchase of this building on Jan 27, 2021.

At the time of acquisition, the property condition report stated that “Site improvements and the building are in generally good condition and appear to have received average maintenance. The building is recently constructed and in good condition. Based on the site observations, there are some recommended capital expenditures anticipated for the evaluation period. They consist of normal and readily anticipated cyclical replacement of systems, whose estimated useful life expires during the evaluation period. No significant immediate repair items were identified that will require remedial work early in the evaluation period.”

5) Please also provide the list of all City of Austin hotel purchases, and the amount of time that passed between when the City acquired each property and when each property began to be utilized for its intended purpose.

Facility Name/Intended Use	Acquisition Date	Date placed in Service
Balcones Terrace (FKA TownPlace Suites), PSH	August 2021	Anticipated Summer 2024
Bungalows (FKA Texas Bungalows), PSH	July 2021	Anticipated Fall 2024
Northbridge Shelter (FKA Country Inn), Shelter	October 2020	May 2020* – Prolodge 4/Covid August 2021 – HEAL Shelter <i>*building was leased as a covid facility before it was purchased</i>
Pecan Gardens (FKA Candlewood Suites), PSH	August 2021	Anticipated June 2024

Southbridge Shelter (FKA Roadway Inn), Shelter	April 2020	July 2020 – Prolodge 5/Covid June 2021 – HEAL Shelter
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Items 46-48:

Approve a settlement in Juanita Marie Lopez and Christine Gomez v. The City of Austin, Cause No. D-1-GN-23-001336, in the 126th District Court, Travis County, Texas.

Approve a settlement in Ana Casillas and Breana Casillas v. City of Austin, Cause No. D-1-GN-23-008876, in the 419th District Court, Travis County Texas.

Approve a settlement in City of San Antonio acting by and through the City Public Service Board of San Antonio, a Texas municipally-owned utility and City of Austin, Texas v. NRG South Texas, LP; Texas Genco GP, LLC; Texas Genco LP, LLC; and NRG Energy, Inc. and Constellation Energy Generation, LLC; and an amendment to the Amended and Restated South Texas Project Participation Agreement and other associated agreements consistent with the settlement.

COUNCIL OFFICE ALISON ALTER’S OFFICE

1) Please provide the settlement amounts for items 46 and 47 and the details of the settlement for item 48.

The Law Department has provided a response directly to Council.

Item 49

Approve an ordinance amending City Code Chapter 4-18 (General Permitting Standards) related to density bonus and incentive program requirements for redeveloping existing non-residential space and existing multi-family structures.

COUNCIL MEMBER MACKENZIE KELLY’S OFFICE

1) In § 4-18-32 (A)(1) is that (a) and (b) or is it (a) or (b)?

In § 4-18-32 (A)(1) it is (a) AND (b).

2) Has § 4-18-32 (A)(1) (a) been used (how often, what examples) to prohibit redevelopment or does the building official always go along with the request?

The ordinance establishing § 4-18-32 was adopted by City Council on February 29, 2024. There are currently no density bonus programs that comply with this section of the code. However, similar regulations are included in the Affordability Unlocked density bonus program, § 25-1-722 (D) (2) established in 2019. Applications for Affordability Unlocked developments for which the redevelopment provisions have been triggered have included a building official's review of a Property Condition Assessment or equivalent as well as an independent appraisal. A review by Housing Department staff indicated 5 properties that triggered requirements, and in each case, the building official determined that the project met the requirement.

3) Why would we change 80% MFI to 60% in § 4-18-32 (A)(1) (b)?

Initially, the ordinance establishing § 4-18-32 called for the replacement of all units affordable to households earning 80% or less of the Median Family Income (MFI). However, subsequent collaboration among various City departments led staff to conclude that a more finely tuned threshold for triggering unit replacement under this requirement would be to replace existing units affordable to households earning 60% MFI or below. This adjustment aligns with the goals outlined in the Strategic Housing Blueprint, matches the MFI percentage to count for Federal Transit Administration applications, and prioritizes deeper levels of affordability. This change also aims to enhance participation in density bonus programs.

4) Does affordable only refer to legally binding agreements or does this apply to market rate affordable units as well?

This would apply to any unit whose average rents were affordable to a household earning 60% MFI or below.

5) Has the right of return provided in § 4-18-32 (A)(4) been shown to work in Austin?

The ordinance establishing § 4-18-32 was adopted on February 29, 2024. There are currently no density bonus programs that comply with this section of the code. However, similar regulations are included in the Affordability Unlocked density bonus program, § 25-1-722 (D) (2) established in 2019. This requirement has been triggered for Affordability Unlocked, but the City does not have data on how often tenants have opted in or out of their right to return. City staff reviewed the developer's notices, the existing tenant rent levels and unit types, their relocation budget, and their relocation plans. Staff also confirmed that the applicant was pursuing other state programs that included tenant relocation protections. Once all of that information has been reviewed, the redevelopment requirements are incorporated into the legal agreement between the developer and the City to bind the developer to those requirements.

Item 50:

Authorize execution of an amended and restated interlocal agreement for the Austin Regional Intelligence Center to combine the Original Agreement, subsequent amendments, and the Sustainment Funding Agreement into a single agreement to streamline administrative processes.

COUNCIL MEMBER JOSE “CHITO” VELA’S OFFICE

1) Who are the current members of the Privacy Advisory Committee?

The Privacy Policy Advisory Committee is one of several working groups that manage the ARIC scope of work and partnership. The current members are:

- Jordan Powell (Attorney, Hays Co.)
- William Hurley (Community Advocate, Austin)
- Mike Robinson (Information Privacy Advocate, Round Rock)
- Vicky Ashley (Criminal Justice Expert, Travis Co.)
- Scott Mount (Law Enforcement Expert, Williamson Co.)

The PPAC membership allows for designees. Members and designees are assisted by municipal and county-funded staff.

2) When does the Committee meet? When did it meet last?

The Privacy Policy Advisory Committee agrees to meet twice annually and communicates as business issues arise. The last policy updates were completed at the first annual PPAC of 2022. PPAC members last completed their annual privacy training in September 2023. In addition to their committee-specific work, PPAC members, designees and support staff meet monthly (most recently this month, April 9) as part of the ARIC Operational Management Team.

3) Has the Committee produced an annual report as required by the Interlocal Agreement? Where can those reports be accessed?

The new ARIC Director and Executive Board are currently working with the PPAC members, designees and support staff to create an annual report that discusses the privacy policy and data access issues. The report will be available for Council review in the fall of 2024 and will be published online at [Austin Regional Intelligence Center | AustinTexas.gov](https://www.austintexas.gov/department/austin-regional-intelligence-center).

4) If the Committee has not produced an annual report recently, when was the last report? What are the reasons an annual report was not produced for any year for which there is no report?

The Privacy Policy Advisory Committee will contribute to the annual report currently in development at the board level. The PPAC has not and will not create a separate annual report.

5) Has the Privacy Advisory Committee ever found any privacy issues with ARIC policy or practices since it was formed? If so, what were they, and what was the outcome of the Committee's work, e.g., was the policy changed? If not, why not?

There have been no "privacy issues" found. We strive to stay in compliance with federal laws and up to date on privacy compliance. We most recently updated policy in 2022, as described above, where the ARIC is now allowed to purge no nexus SARs after 30 days instead of retaining them for 2 years. Privacy Officer/General Counsel, Cary Grace and Robyn Katz at the time, worked on this. The Committee unanimously passed this change. We stay in constant communication with our federal partners, national fusion centers from all over the country, and in touch with our legal counsel who works with the ARIC as its Privacy Officer and General Counsel.

Item 57:

Approve an ordinance amending the Fiscal Year 2024-2025 Austin Public Health Department Operating Budget Special Revenue Fund (Ordinance No. 20230816-008) to accept and appropriate \$604,316 in grant funds from the Texas Department of State Health Services and the Centers for Disease Control and Prevention for the Integrated HIV Programs for Health Departments to Support Ending the HIV Epidemic in the United States.

COUNCIL MEMBER ALISON ALTER'S OFFICE

1) We have had an alarming increase last summer in STIs and we have added some resources for additional testing. What is the current state of this trend in the City, and do we have any projections as to whether our additional resources are helping abate it?

The rates have been increasing for chlamydia, gonorrhea, and syphilis. The rates for syphilis are the most significant over the last 3 years.

Staff conducted a competitive solicitation and are in the process of negotiating a contract with Texas Health Action for testing and treatment services. The program period will be from June 30, 2024, through May 2025. Program performance is still being negotiated.

Item 64:

Approve a resolution concerning the use of City resources for regulation of gender-related healthcare.

COUNCIL MEMBER MACKENZIE KELLY'S OFFICE

1) Does the City of Austin possess the legal authority to refuse the enforcement of state laws that are in conflict with city policies, particularly in the context of gender-affirming healthcare?

2) How does the doctrine of preemption apply to the city's resolution given that state laws restricting gender-affirming healthcare exist?

3) Can a home-rule city like Austin legally prioritize its enforcement policies in direct contradiction to state law?

4) In cases where state law imposes criminal, civil, or administrative penalties related to gender-affirming healthcare, what are the potential legal repercussions for the City of Austin and its employees for non-compliance?

5) What legal risks does the City of Austin face from individuals or entities that might challenge the resolution's legality in court?

6) What are the implications for healthcare providers in Austin who may face conflicting obligations under city and state law?

The Law Department has provided a response directly to Council.