



Austin City Council MINUTES

For SPECIAL CALLED MEETING - JULY 18, 1989 - 12:00 NOON

Council Chambers, 307 West Second Street, Austin, Texas

Mayor Cooke called to order the meeting of the Council, noting the presence of all Councilmembers

BUDGET WORKSESSION

A worksession was held by the Council, with Mayor Cooke highlighting the budget meetings held so far concerning the 1989-90 budget proposals. Mayor Cooke distributed copies of proposed Budget Review Schedule, copy of which is attached as Amendment A.

Councilmembers commented on and asked questions about several department budgets. Discussion was also held on a budget savings incentive program with departments being able to use a percentage of their savings as they wish. City Manager Barnett said she also has ideas for incentives in the benefits package.

City Manager Barnett talked about refinancing and/or refunding debt. She recommended this be done when the market is at its best. The Councilmembers agreed with her.

RECESS

Council recessed its meeting from 2:30 to 6:04 P.M.

FY 1989-90 (15TH YEAR) CDBG

Mayor Cooke announced Council would discuss adoption of general topic areas and funding allocations for the FY 1989-90 (15th Year) Community Development Block Grant Program.

Motion

Councilmember Nofziger made a motion, seconded by Mayor Cooke "to adopt the City Manager's recommendations with this exception, from the \$800,000.00 set aside for Corridor Capital Improvements, we take \$700,000.00 of that, leaving \$100,000.00, and the \$700,000.00, let's split between the Acquisition and Rehabilitation, add \$350,000.00 to that and add the other \$350,000.00 to Child Care Facilities Development."

Substitute Motion

Mayor Pro Tem Shipman made a motion, seconded by Councilmember Urdy to adopt the City Manager's recommendations with the following

changes: "Under Housing Acquisition/Rehabilitation \$700,000.00, including the Prospect Hill area as part of the Target Area; under Economic Development, Community Economic Development, \$400,000.00 and Minority Procurement Assistance, \$200,000.00. Under Public Works and Community Facilities, Corridor Capital Improvements \$100,000.00 for the parking lot on 11th Street. This also includes, as recommended by the City Manager, a child care facilities development at \$463,000.00 and child care accreditation as recommended by the City Manager."

Friendly Amendment - Accepted

Councilmember Carl-Mitchell offered the following friendly amendment "that in any of the community economic development programs that:

1. Job Creation and Retention - Contracts developed for CDBG-funded economic development activities must continue to have specific performance and reporting requirements for job creation and retention.
2. CDBG Performance Audit - Requests for Proposals (RFPs) for CDBG funded economic development activities will be developed after the preliminary findings of the CDBG Performance Audit have been received. Further, should the audit reveal that an organization has not adequately performed its responsibilities, the organization would either not be allowed to participate in the 15th Year CDBG Program or placed on a performance probation for one year to allow for monitored improvement in its performance.
3. Performance - Based Contracts - The City should continue to use performance-based contracts for payment of performance in CDBG-funded economic development programs.
4. Duplication of Service - To avoid duplication of service, no more than one organization will be approved to serve a particular area with a particular CDBG-funded program. Areas will not be artificially divided to accommodate more than one organization.
5. Loan Programs- The City of Austin, not a CBO, will administer any new CDBG-funded loan programs for economic development activities.

Mayor Pro Tem Shipman accepted the friendly amendment.

Friendly Amendment - Not Accepted

Mayor Cooke stated: I also think, if there are CBO's, their funding should not be from just one source of money or this money, I think if they are going to participate they ought to have multiple

sources of money and I think that ought to be a consideration. I feel like it should be something like 60%. No more than 60% of their funding should come from CDBG or something like that.

Mayor Pro Tem Shipman did not accept the friendly amendment. "Because I don't think that can be accomplished at this time. I think that is a goal to work toward, and I will be happy to speak to the motion later."

After further discussion, the Substitute Motion was approved.

Roll Call on Substitute Motion

4-3 Vote, Mayor Cooke, Councilmembers
Barnstone and Nofziger voted No.

(See Attachment B)

ADJOURNMENT

Council adjourned its meeting at 7:10 P.M.

ATTACHMENT A

PROPOSED
CITY COUNCIL

BUDGET REVIEW SCHEDULE
1989-90 BUDGET

August 1989

Tuesday, August 1
10:00 - 12:00 Noon
Town Lake Center

City Manager's Budget Presentation
to Council:
-Operating Budget
-Capital Budget
-Policy Budget

Wednesday, August 9
10:30 - 12:00 Noon
1:30 - 4:00 p.m.
Town Lake Center

Council Budget Worksession

Tuesday, August 15
6:00 p.m.
8:00 p.m.
Town Lake Center

Joint Hearing with Travis County
Commissioners
Public Hearing: Social Service Contracts
Public Hearing: Arts

Wednesday, August 16
10:30 - 12:00 Noon
1:30 - 4:00 p.m.
Town Lake Center

Council Budget Worksession

Thursday, August 17
6:00 p.m.
Council Chambers

Public Hearing: CIP and Operating Budget

Monday, August 21
10:30 - 12:00 Noon
1:30 - 4:00 p.m.
Town Lake Center

Council Budget Worksession

Tuesday, August 22
10:30 - 12:00 Noon
1:30 - 4:00 p.m.
Town Lake Center

Council Budget Worksession

Thursday, August 24
6:00 p.m.

Public Hearing: CIP and Operating Budget
Adopt Capital Budget (Begin preparation
for September G.O. Bond Sale)

Thursday, August 31
1:00 p.m.
Council Chambers

CITY COUNCIL MEETING CANCELED
Council Budget Worksession

7/18/89

ATTACHMENT A

PROPOSED
CITY COUNCIL

BUDGET REVIEW SCHEDULE
1989-90 BUDGET

September 1989

Monday, September 11 6:00 p.m. Town Lake Center	Public Hearing: Electric & Water/Wastewater Rates, Cost Allocation and Rate Design
Tuesday, September 12 Town Lake Center	First reading: Adopt Operating Budget
Wednesday, September 13	Second reading: Adopt Operating Budget
Thursday, September 14 Council Chambers	Third reading: Adopt Operating Budget
Thursday, September 28	CITY COUNCIL MEETING CANCELED
October 1, 1989	Fiscal Year Begins

15TH YEAR COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

COUNCIL ALLOCATIONS - APPROVED JULY 18, 1989HOUSINGCOUNCIL ALLOCATIONS

Standard Rehabilitation	-	500,000 (21.0%)
Architectural Barrier Removal	-	315,000 (13.2%)
Emergency Repair Program	-	320,000 (13.4%)
Public Housing Improvements	-	250,000 (10.5%)
Acquisition Rehabilitation	-	700,000 (29.4%)*
Rental Repair and Technical Assistance	-	160,000 (6.7%)
Eberhart Lane (Infrastructure for Sec. 202)	-	40,000 (1.7%)
Volunteer Housing Repair	-	100,000 (4.2%)
Total		2,385,000 (48.4%)

ECONOMIC DEVELOPMENT

Capital Improvement Business Loan Program	-	400,000 (33.3%)
Community Economic Development	-	400,000 (33.3%)**
Minority Procurement Assistance	-	200,000 (16.7%)
Operation Impact	-	200,000 (16.7%)
Total		1,200,000 (24.4%)

PUBLIC WORKS AND COMMUNITY FACILITIES

Child Care Facilities Development	-	463,000 (82.2%)
Corridor Capital Improvements for Parking Lot A on East 11th Street	-	100,000 (17.8%)
Total		563,000 (11.4%)

PUBLIC SERVICES

Child Care Accreditation	-	40,000 (100%)
Total		40,000 (0.8%)

PLANNING/ADMINISTRATION

Planning and Administration	-	739,000 (15.0%)
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TOTAL 15TH YEAR ENTITLEMENT

-	<u>\$4,927,000 (100%)</u>
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*Council identified Prospect Hill as a target area for this program. (No dollar amount specified).

**Council imposed conditions for the Community Economic Development Program as described in Attachment A.

15TH YEAR CDBG COMMUNITY ECONOMIC DEVELOPMENT PROGRAM

CONTRACTING POLICIES FOR COMMUNITY-BASED ORGANIZATIONS

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