

**AUSTIN CITY COUNCIL
MINUTES****WORK SESSION MEETING
WEDNESDAY, JUNE 29, 2011**

The City Council of Austin, Texas convened in a Special Called Meeting on Wednesday, June 29, 2011, City Hall at 301 W. Second Street, Austin, Texas.

Mayor Leffingwell called the meeting to order at 10:07 a.m.

3. Approve an ordinance waiving certain development fees in an amount not to exceed \$3,800,000 and directing the City Manager to negotiate and execute an agreement with White Lodging regarding a wastewater line in an amount not to exceed \$500,000 related to the construction of a hotel to be located at 2nd Street and Congress Avenue.

Ordinance No. 20110629-003 was approved with the following amendments on Mayor Pro Tem Cole's motion, Mayor Leffingwell's second on a 5-2 vote. Those voting aye were: Mayor Leffingwell, Mayor Pro Tem Cole, and Council Members Martinez, Riley and Spelman. Those voting nay were: Council Members Morrison and Tovo. Mayor Pro Tem Cole's amendment was to add a provision to the ordinance that says, "Construction must begin no later than 14 months from passage of the ordinance or the remaining fees terminate if construction does not begin by aforementioned date."

The friendly amendment from Council Member Martinez was to add the following:

Part 1. Findings (F), "In large projects like the proposed hotel, minority participation and prevailing wage requirements have been established as values and standards by the City of Austin in comparable City-owned projects."

Part 2. Waivers (A), "If White Lodging complies with Section (B) of this Part, the following fees are waived in an amount not to exceed \$3,800,000 for construction of the hotel described in Part 1: permits, inspections and reviews, water quality fee-in-lieu, temporary use of ROW, license agreement submittal, capital recovery fees, water drop in.

(B) For the construction phase of the hotel, White Lodging must comply with the following for its workers and require that its construction contractors comply with the following:

1. The principles and standards of the City's MBE/WBE regulations.
2. The City's prevailing wage policy.

(C) if White Lodging fails to comply with Section (B), White Lodging will be required to reimburse the City of Austin for fees waived.

The amendment was accepted by the maker of the motion and by Mayor Leffingwell, who made the second.

Mayor Leffingwell recessed the Council Meeting at 11:58 a.m.

Mayor Leffingwell called the Council Meeting back to order at 12:43 p.m.

Items 1, 2, and 4 were acted on in a combined motion.

1. Approve a resolution authorizing the City Manager to negotiate and execute an Interlocal Agreement with the TEXAS COMPTROLLER OF PUBLIC ACCOUNTS to (1) establish a Major Events Trust Fund for the Formula 1 U.S. Grand Prix and (2) set forth the rights and obligations of the parties as required under the Major Events Trust Fund statute.
Resolution No. 20110629-001 was approved on Council Member Martinez' motion, Mayor Pro Tem Cole's second on a 5-2 vote. Those voting aye were: Mayor Leffingwell, Mayor Pro Tem Cole and Council Members Martinez, Riley and Spelman. Those voting nay were Council Members Morrison and Tovo.
2. Approve a resolution authorizing the CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE to act on the City's behalf and authorizing the City Manager to negotiate and execute an Agreement with the CIRCUIT EVENTS LOCAL ORGANIZING COMMITTEE to (1) establish the parties' authority, rights, and responsibilities with respect to an application to the Texas Comptroller of Public Accounts for creation of a Major Events Trust Fund in support of the Formula 1 U.S. Grand Prix and (2) establish the parties' authority, rights, and responsibilities with respect to payments to and from the Fund.
Resolution No. 20110629-002 was approved with the following amendments on Council Member Martinez' motion, Mayor Pro Tem Cole's second on a 5-2 vote. Those voting aye were: Mayor Leffingwell, Mayor Pro Tem Cole, and Council Members Martinez, Riley and Spelman. Those voting nay were Council Members Morrison and Tovo. Mayor Pro Tem Cole offered these two amendments: In the "Be it resolved" section of the resolution, add the following wording, "Set forth the procedures for CELOC to assume the financial obligations including depositing the local calculated annual contribution into a METF established for the purpose of preparing for and hosting the Formula 1 U.S. Grand Prix." "Set forth language that if CELOC's financial obligation of depositing the local calculated annual contribution in the contract terminates, then in the alternative that Circuit of Americas will serve guarantor of CELOC's obligation in the event the city becomes liable for any amount."
4. Discussion and possible action on a term sheet describing environmental standards and expectations regarding the Circuit of the Americas and related parties.
The discussion was held and the motion adopting the term sheet with the following friendly amendment was approved on Council Member Martinez' motion, Mayor Pro Tem Cole's second on a 5-2 vote. Those voting aye were: Mayor Leffingwell, Mayor Pro Tem Cole, and Council Members Martinez, Riley and Spelman. Those voting nay were: Council Members Morrison and Tovo. The friendly amendment from Council Member Spelman was to change No. 25. Limited Indemnity to read, "To the extent allowable by law, COTA shall also defend, indemnify, and hold harmless city, its officers, and employees, from and against any and all claims, actions, suits, demands, proceedings, costs, damages, and liabilities, including without limitation attorneys' fees and court costs arising out of, connected with, or resulting from:
 1. Any acts or omissions of the city, or any agent or employee of the City or COTA in the execution or performance of this agreement; or
 2. Any action by the comptroller to require funding of the local contribution by the City, whether as a direct payment or a reduction in collected tax revenues that would otherwise be distributed to the City by the state, if:
 - a. CELOC fails to make the local contribution; and
 - b. The interlocal agreement and the CELOC agreement are both terminated."**The amendment was accepted by the maker of the motion and by Mayor Pro Tem Cole, who made the second.**

Mayor Leffingwell adjourned the meeting at 4:27 p.m. without objection.

The minutes for the special called meeting of June 29, 2011 were approved on this the 28th day of July 2011 Council Member Martinez' motion, Mayor Pro Tem Cole's second on a 6-0 vote. Council Member Tovo abstained.