



Austin City Council MINUTES

For

FEBRUARY 4, 1982 -- 1:00 P.M.

Council Chambers, 301 West Second Street, Austin, Texas

City Council

Carole Keeton McClellan

Mayor

John Treviño, Jr.
Mayor Pro Tem

Council Members
Larry Deuser
Roger Duncan
Richard Goodman
Ron Mullen
Charles E. Urdy

Nicholas M. Meiszer
City Manager

Grace Monroe
City Clerk

Memorandum To:

Mayor McClellan called to order the meeting of the Council scheduled for 1:00 p.m., noting the absence of Mayor Pro Tem Trevino, Councilmembers Goodman and Urdy who entered the Council Chamber at 1:15; 1:30 and 1:35 respectively.

INVOCATION

The Invocation was given by Reverend Billy Spivey, Community Church of Our Lord.

CACTUS PRYOR PROCLAMATION

Mayor McClellan read a proclamation honoring Cactus Pryor and presented him with a Distinguished Service Award. Mr. Pryor thanked the Mayor and Council. Many of his friends were in the Council Chamber; among them was John Henry Faulk who discussed the merits of Cactus Pryor.

TEXAS WOMEN - A CELEBRATION OF HISTORY DAY

Mayor McClellan read a proclamation designating February 7, 1982 as Texas Women - A Celebration of History Day. Commissioner Ann Richards, Mary Beth Rogers, Jane Hickie, Katherine Reynolds, Cathy Bonner, Raye Carrington, Andra Cohn, and Liz Carpenter received the proclamation with their thanks and appreciation.

OPAL WASHINGTON DAY

Mayor McClellan read a proclamation and presented a Distinguished Service Award to Opal Washington, retiring Travis County Extension Agent. Ms. Washington thanked the Mayor for the proclamation and award.

AMERICAN HEART MONTH

Dr. Al Lindsey, president, Austin/Travis County Division, American Heart Association, received with thanks and appreciation the proclamation read by Mayor McClellan designating the month of February as American Heart Month.

VOCATIONAL EDUCATION WEEK

Dr. John Ellis, superintendent, AISD; Lawrence Buford, assistant superintendent, AISD; and Mrs. Maurice Frazier, chairman, Vocational Technical Advisory Committee, were in the Council Chamber to receive a proclamation read by the Mayor designating February 7-13 as Vocational Education Week.

OFFICE EDUCATION ASSOCIATION WEEK

Students from all of the high schools in Austin, as well as Myrtle Johnson, supervisor, were in the Council Chamber to receive the proclamation read by the Mayor designating February 7-13 as Office Education Week.

FREE ENTERPRISE DAY

February 11 will be Free Enterprise Day in Austin according to a proclamation read by Mayor McClellan and received by Johnny Martinez of McCallum High, president of District 5, Distributive Education Clubs of America; Dennis Swanson, Vocational Supervisor, Cooperative Training Education, AISD; and several students.

CIRCLE K WEEK

Circle K Week will be observed February 7-13 according to a proclamation read by the Mayor and received with thanks by Frank Ivy, "K Family Relations Director"; Mike Byars and Tamora Deuser, members of Circle K.

ITEMS TO BE BROUGHT BACK

Council postponed until February 10, 1982 consideration of a resolution for the use of public right-of-way for sidewalk extension and landscaping adjoining Block 70, Original City of Austin, Congress Avenue 600 block, West 6th Street 100 block, Colorado Street, 600 block and West 7th Street 100 block. (Requested by Rust Properties).

Council postponed until February 10, 1982, consideration of a resolution to allow the use of public right-of-way for sidewalk extension and landscaping in the 700 block of Colorado Street (west side) adjoining Lot 6, Original City of Austin. (Requested by Rust Properties)

Council postponed until February 10, 1982 consideration of resolution to use public right-of-way for sidewalk extension and landscaping in the 100 block of West 7th. (north side) adjoining Block 83, Original City of Austin. (Requested by Rust Properties)

PUBLIC HEARING SET ON LICENSE AGREEMENT

The Council, on Councilmember Deuser's motion, Councilmember Goodman's second, set a public hearing for 7:00 p.m. on February 11, 1982 concerning allowing the aerial encroachment of a permanent building for occupancy over the Colorado Street Alley, 600 block, minimum height 16.0'; Board of Adjustment to meet in 2 weeks. (7-0 Vote)

Prior to the final vote, Councilmember Deuser asked if the Council feels the public alley and air space is something the City releases without the views of the public it will serve. Mayor McCellan said she foresees no problem. Councilmember Deuser suggested Council have a public hearing on the appropriateness of the alley vacation.

Joe Riddell expressed objections to the tallest building in town being built over an alley. He said Council should use the license agreement as a bargaining factor to get the height of the building reduced.

Councilmember Mullen wanted to know how often the fee for a license agreement is assessed. Mr. German, Director of Public Works, told him every 5 years based on current land values but that the time span can be changed. Councilmember Mullen said he would prefer to have the charge reviewed more often. Mr. DeLaRosa, City Attorney, told him the contract can be worded for every two years, or whatever the Council desires. David Armbrust, representing Rust Properties, said they will be agreeable to a two year review.

Ruby Goodwin, Travis County Democratic Women, said she does not see any participation in the plan by the Downtown Revitalization Commission. Karen McGraw expressed concern over the height of the building because it will be taller than the Capitol. Mayor McClellan said the issue today is not the height of the building and the proposed building does not violate the view corridors of the Capitol.

Councilmember Goodman stated that it has taken a long time to stimulate the economy of downtown Austin and if steps are taken to slow progress then the downtown revitalization will be gone.

Phil Conard and Roger Baker told Council to have a public hearing.

Motion

Councilmember Deuser made a motion to set a public hearing on February 11, 1982 at 7:00 p.m.

AGREEMENT - (Continued)

Substitute Motion

Councilmember Mullen made a motion, seconded by Councilmember Goodman to approve the license agreement as presented.

Friendly Amendment - Not Accepted

Councilmember Goodman offered a friendly amendment to schedule a public hearing for March 3, 1982 on a proposed height ordinance for downtown Austin. He said he felt it inappropriate to affect a new rule on Rust Properties when they have been working with the City for one year on their project.

Councilmember Mullen did not accept the friendly amendment because he said Council is not posted today for that type action.

Roll Call on Motion

7-0 Vote

APPEAL AUTHORIZED

The Council, on Councilmember Goodman's motion, Councilmember Urdy's second, adopted a resolution authorizing an appeal to District Court of the decision of the Texas Health Facilities Commission approving the Lifemark Hospital project and denying the Tri-Community Hospital application for a Certificate of Need. (6-1 Vote, Councilmember Deuser voted No.)

REAFFIRMATION OF HIGHWAY 183 PLAN

The Council, on Councilmember Mullen's motion, Councilmember Duncan's second, adopted a resolution incorporating mass transit into the Highway 183 Plan as reaffirmed by Council on January 20, 1982. (7-0 Vote)

ITEM TO BE BROUGHT BACK

A resolution to consider adoption of Renewable Energy Development (RED) Plan will be brought back on the February 10-11 Agenda for discussion.

OFF-PEAK PUMPING FACILITIES

Council had before it for consideration an ordinance prohibiting further approval of subdivision plan or plat applications utilizing off-peak pumping discharge facilities.

Councilmember Goodman said, "My recommendation is to continue instructions to the staff to approve no off-peak pumping facilities until the Water and Wastewater Commission returns their recommendations on off-peak pumping facilities or alternatives

FACILITIES - (Continued)

that they have under consideration and that is an alleviation of part of our wastewater system that is in the Shoal Creek Basin." Mr. DeLaRosa asked if he is referring to an ordinance that regulates off-peak pumping. Councilmember Goodman said he is not referring to an ordinance but is giving instructions to the Water and Wastewater staff. Mayor Pro Tem Trevino clarified by saying the ordinance will be shelved until Council received the report and then the ordinance will be put back on the Agenda. Councilmember Mullen added a time limit of 30 days.

Mr. DeLaRosa reminded Council there is an item on today's agenda for a public hearing on the review of off-peak pumping at 3:30. Council agreed to hold their vote on a motion until after the public hearing.

RECESS

Council recessed its meeting at 3:30 p.m. and resumed its recessed meeting at 3:45 p.m.

PUBLIC HEARING - OFF-PEAK WASTEWATER COLLECTION
DISCHARGE SYSTEM

Mayor McClellan opened the public hearing scheduled for 3:30 p.m. on the continuation of a public hearing to review the proposed off-peak wastewater collection discharge system and passage of Ordinance.

No one appeared to be heard.

Motion

The Council, on Councilmember Goodman's motion, Councilmember Duncan's second, closed the public hearing and voted to instruct the City Manager to instruct the staff to approve no off-peak pumping facilities until the Water and Wastewater Commission returns their recommendations on off-peak pumping facilities within 30 days. (7-0 Vote)

RECESS

Council recessed its meeting at 3:40 p.m. and resumed its recessed meeting at 4:00 p.m.

DISCUSSION OF FAIR HOUSING ORDINANCE

Mr. Frank Harren appeared before Council to make a presentation regarding an amendment to the Fair Housing Ordinance. He said an amendment of the ordinance is not necessary in Austin because it was proved in the recent referendum election that there is not discrimination in Austin.

CITY EMPLOYEE BUS PROGRAM

Mr. Peter Fears appeared before Council to discuss mass transit and the City Employee Bus Program. He asked Council to authorize the City Manager to authorize staff to survey employees concerning use of mass transit. He said the increased use of mass transit by the staff would create a positive cash flow for the City by subsidizing bus fares.

Dr. Benson, Director of Urban Transportation, said that this has been looked at in the past and the cost to the City would be about \$25,000.

Mayor McClellan requested a report back about doing a survey and specifically how the questionnaire will be designed.

ANTI-SPECULATION CONCERNS

Mr. Richard Buratti appeared before Council to express his concerns and feelings about any anti-speculation action that might be considered by Council. He said if this is passed for the Rainey area then what area of town would be sacred? Where would the line be drawn? He said such an action is probably illegal. Councilmember Deuser told him the idea is still a concept with merits and demerits.

HISTORICAL LANDMARK COMMISSION DESIGNATIONS

Ms. Judith E. Fowler appeared before Council to discuss Historical Landmark Commission designations. She said the Historic Landmark Ordinance is a tool for preservation and should not be used indiscriminantly to designate a structure historical.

NEW YEARS SALUTATIONS

Mr. Mike Kleinman appeared before Council to present New Years Salutations to Council. He presented each member of the Council with a package of caulk and asked them to stop talking and get on with weatherization.

CITIZEN DID NOT APPEAR

Ms. Susan Dirks who had requested to appear before Council to present New Years Salutations, did not appear.

MORATORIUM EXTENDED

The Council, on Councilmember Duncan's motion, Mayor Pro Tem Trevino's second, waived the requirement for three readings and finally passed an ordinance extending the temporary moratorium until August 20, 1982 on the approval of subdivisions located outside the City limits which are dependent on new or increased City water and/or wastewater service. (6-0 Vote, Councilmember Goodman was out of the room.)

PAYMENT AUTHORIZED

The Council, on Councilmember Deuser's motion, Councilmember Urdy's second, waived the requirement for three readings and finally passed an ordinance authorizing payment to the following: (6-0 Vote, Councilmember Goodman was out of the room)

MILWOOD JOINT VENTURE

- The cost difference of water oversize main thru Milwood Section 8 - \$62,794.48 City cost participation.

Prior to the passage Councilmember Deuser questioned Mr. Rodger White, Acting Director of Water and Wastewater, concerning the payment.

MINUTES APPROVED

The Council, on Councilmember Deuser's motion, Mayor Pro Tem Trevino's second, approved the minutes, as corrected, for Special Meeting of January 18, 1982 and Regular Meetings of January 20 and 21, 1982. (7-0 Vote)

ACTION ON ZONING CASES

Action on the following zoning cases was scheduled on the agenda. The cases had been heard on February 28, but no action was taken because there was not a full Council present. Mayor McClellan stated for the record that although she was not present at the Council meeting last week she had access to all material concerning the zoning requests and has visited all sites in question.

Motions

The Council, on Councilmember Goodman's motion, Councilmember Mullen's second, granted as recommended the following: (7-0 Vote)

C14r-81	JOHN C. WOOLEY,	214 North Capital	From Interim "AA" 1st H&A
230	TRUSTEE	of Texas Highway	To "O-1" 1st H&A
			RECOMMENDED
			<u>GRANTED AS RECOMMENDED</u>

The Council, on Councilmember Goodman's motion, Mayor Pro Tem Trevino's second, granted as recommended the following: (7-0 Vote)

C14-81	DR. ROBERT M. &	8112-8212 Cameron	From "GR" & "BB" 1st H&A
228	GEORGE A. CAIN	Road	To "DL" 1st H&A
	By Tom Curtis	1316-1430 Rutherford	RECOMMENDED subject to
		Lane	dedication of 40 feet of
			right-of-way from center-
			line on Rutherford, and
			20 feet of right-of-way
			off Cameron Road.
			<u>GRANTED AS RECOMMENDED</u>

ZONING CASES - (Continued)

Zoning Denied

The Council, on Councilmember Duncan's motion, Councilmember Goodman's second, denied the following: (7-0 Vote)

C14-81	JOHN & LESLIE	2800 San Pedro	From "A" 1st H&A
177	PIERATT		To "BB" 1st H&A
			NOT RECOMMENDED
			<u>DENIED</u>

Decision Postponed to 2/11/82Motion - Died for Lack of Second

Councilmember Goodman made a motion to zone the following case "O-H" 1st. There was not second to the motion.

Substitute Motion

Councilmember Mullen offered a substitute motion to zone "O". Mayor McClellan seconded the motion. Roll was not called.

Council discussed and it was decided to bring the case back for a vote on February 11, 1982. No motion was made to do so.

C14-81	MICHAEL R. McHONE	608-612 W. 22nd St.	From "B" 2nd H&A
211	(Burt House)		To "O-H" 2nd H&A
&			RECOMMENDED "O-H" 1st
h017			because of criteria added
			by Commissioner Manning;
			subject to rendering and
			site plan.
			<u>TO BE BROUGHT BACK 2/11/82</u>

EXECUTIVE SESSION

Mayor McClellan announced that Council would convene in a closed or executive session authorized by Section 2, Paragraph (e) of Article 6252-17, Texas Revised Civil Statutes annotated on the following matters:

- a. South Texas Project - Pending Litigation--Sec. 2, para. (e);
- b. McGinnis v. City of Austin - Pending Litigation--Sec. 2, para. (e); and
- c. Brackenrdige Hospital d/b/a Tri-Community Hospital & Healthcare Center v. Lifemark Corp. d/b/a Round Rock Community Hospital - contemplated litigation--Sec. 2, para. (e).

RECESS

Council recessed its meeting at 5:00 p.m. for the Executive Session and resumed their recessed meeting at 6:00 p.m.

PUBLIC HEARING - ELIGIBLE BLIGHTED AREA

Mayor McClellan opened the public hearing, scheduled for 6:00 p.m. on the designation of an Eligible Blighted Area pursuant to the rules of issuing Industrial Development Bonds issued by the Texas Industrial Commission. (This was the continuation of a public hearing begun on January 21, 1982)

Mr. Albert DeLaRosa, City Attorney, stated:

At the public hearing two weeks ago, the City Council was presented with three options as areas to consider for designation as an Eligible Blighted Area. At the time the City Council.. at the conclusion of that public hearing, the Council instructed us to prepare a new resolution, and this resolution was placed in the City Clerk's office last week and was made available to anyone who would like to pick up a copy of it. The Council instructed us to specifically look at the designation of only three particular areas, those being 1) the site of the Bradford Hotel at 701 Congress Avenue. The second one 2) would be the site of the Driskill Hotel at 117 East 7th Street. And the third 3) site to be looked at is the site of the proposed hotel facility, being that area bounded by Manor Road, Pershing Avenue and Greenwood Avenue.

The Council also requested that there be specific language within the resolution that specifically provided that the area immediately adjacent to these three areas would be confirmed to encompass only areas 1 foot in distance from the Eligible Blighted Area..that those two points have been brought into the resolution that has been prepared. I would like to state that in the two weeks since the public hearing, I have been reviewing the concept of having only Council designate the areas..specific areas for these hotel sites, and I need to express one concern.. If you remember last.. two weeks ago at the public hearing, the procedure is once the Council takes action to designate an area as eligible blighted area, that resolution has to be forwarded to the Texas Industrial Commission for their review and approval..they have 30 days to review the Council's action, and I can't really guarantee what reaction the Texas Industrial Commission will have if they see an Eligible Blighted area that includes only those areas for the Driskill Hotel and the Bradford Hotel and this other proposed hotel facility. They may be looking for a larger area to be designated as an Eligible Blighted Area. That is one concern, but I do not know at this point in time if the Texas Industrial Commission will have those concerns and whether they ultimately will or will not approve it.

If they don't approve it, however, it will come back to the Council, and you will have another chance to designate these areas as Eligible Blighted Areas.

HEARING - (Continued)

Shirley Shaw, representing Lloyd Hayes and Gerald Brown, developers, who are considering the development of a multi-use project at the location that is known as the El Mat property. The proposed development is a parking garage, hotel and an office building which will contain retail space and maybe housing. She requested that this particular area be included in the Eligible Blighted Area designation.

Mayor Pro Tem Trevino asked, "If this project were to receive approval, what would this project do to provide some amenities to the public concerning Waller Creek? Ms. Shaw answered their property starts exactly where the Rehab of the creek has stopped. They have been working with those who have designed the master plan and with the Parks Department to make sure that those things which they would be constructing would be exactly as planned.

Mr. Jerry Hale addressed Council as follows:

"Mayor and Council, I am Jerry Hale, I am one of the owners of the Austin Airport Hotel project. I would like to discuss briefly the term "blighted" as it is used in this text, and as it is defined by the Texas Rules. The term "blighted" means one of two things..an area of substandard housing, or an area of high unemployment. I think the term blighted was probably a buzz word that was used back in the late 50's and early 60's with the first of Urban Renewal projects. I think a more modern term would be "targeted". I think if we think of this in terms of targeted, rather than our old concepts of blighted, I think we can understand more what..keep the same definition, I think. We could probably understand it better.

"Our particular site is located in what I think is in the geographic center of urbanized east Austin. By that I mean the area from I 35 to Ed Bluestein, from Highway 290 south to the river. Our project geographically sits in the center of that area. The unemployment in that total area, which includes some nice areas..Delwood, University Hills..some of the newer subdivisions on South Martin Luther King Jr. Boulevard. That total area has an unemployment rate of 14.4%. Our census tract has an unemployment rate of 25.7%.

"Now I have been involved in engineering projects in east Austin for 24 years, now. I have designed probably 20 to 30 million dollars in public works improvements for east Austin. I think Austin has done a great job in improving the environment of east Austin, but yet we still have this high unemployment on the east side of town. I think this program can be an excellent growth management tool to eliminate this unemployment. We have many people in the area that are on welfare. I don't think for the most part they want to be on welfare. I think they want jobs..they want opportunities to enter into the mainstream of Austin's "environment". The day of the last hearing we had two weeks ago, my partner and I attended the state Industrial Development Board meeting in San Antonio. There were 13 projects before that board at that time. These projects were in areas like Midland, Lubbock, College Station, San Antonio, Beaumont, Port Arthur,

HEARING - (Continued)

and several other cities. These were all commercial projects. These people.. this is a seven-step..basically a seven-step process, and these people are on the 6th step of this type of project. They had Mayors, they had Council members. They had City Managers. They had a State Senator up there speaking for the jobs in their areas. We are still in step 1 here in Austin, and I know you all feel pushed and people may be pushing you to move, but I think.. I think Austin needs to move on this, and we need to get on with the program.

"In closing I would like to ask this Council to take some action on the resolution that is prepared and is before you this evening. I would be happy to answer any questions you have."

Arthur Hamilton appeared before Council. He is a resident of East 6th Street and also has a business there. Mr. Hamilton said the business people in the area are very concerned about the possibility of being called a blighted area. He said with buildings selling there for approximately \$100.00 a square foot and rents over \$1.00 a square foot a month, they do not believe their area is blighted. Mr. Hamilton said he feels it unfair to give advantage to the two hotels which have requested designation in a blighted area. He also said they feel the El Mat area will become a tax increment area.

Jim Sarver, principal owner of the airport project, asked Council's approval for their project, which, he said, meets all the intent and elements and requirements of the Industrial Development Bond regulations.

Phil Conard told Council the airport project is the only place where unemployment meets the law.

Palmer Wright appeared before Council and said he hopes they become selective in handing out money. He passed something out to Council. CLERK DID NOT RECEIVE A COPY. Council discussed Mr. Wright's proposal at length.

Motion

Mayor Pro Tem Trevino made a motion, seconded by Mayor McClellan to include the Matamoros properties in the letter of inducement.

Council discussed the pros and cons of the properties recommended.

Joe Riddell appeared before Council, read a description of a blighted area and told Council the Bradford-Austin and the Driskill do not fall into those categories:

Mayor Pro Tem Trevino stated, "As you know we have to go through several other steps before we give our final okay.There are certain things I am thinking about talking to these individuals. We are talking about new construction, whether they will be willing to sub-contract to minority contractors. Whether there will be an opportunity for minority businesses to be able to locate in the retail space.... and put it in writing...."

HEARING - (Continued)

Alan Taniguchi, chairman, Downtown Revitalization Task Force, told Council they have no recommendations to bring to them on what to do concerning guidelines on revenue bonds. He said he thinks the applicants should have "an intent, specifications, or a pro forma sort of thing submitted, and I think that is the only way you can weigh the merits of any of the projects in terms of the kinds of things that Mayor Pro Tem Trevino was discussing and those other concerns that different people have."

Carolyn Truesdale, Vinson Elkins, appeared before Council and discussed the interest rates of the bonds, taxable qualities, etc.

David Henderson, representing the Bradford-Austin, said no lender is willing to give him a permanent loan on an old hotel.....A hotel is considered a risky venture because it is people oriented....You have a large staff with a lot of them doing menial jobs but they are being productive. A lot of lenders look at this and they don't care to take the risk so in our case bonds allowed us to get permanent financing, where otherwise we wouldn't have.

Councilmember Mullen requested staff to prepare a presentation to give Council an idea of value. "If you took a \$10-million dollar project and financed it one way and financed it another way, what the economic benefits would be to the people that utilized these bonds, to kind of give us an idea of how much money we are talking about on projects so that when we start asking for concessions, Waller Creek or a parking lot, or whatever, we know what we are asking for in relationship to how much value has been given."

Karen McGraw, member of the Downtown Revitalization Task Force, told Council they are looking at the Waller Creek and working with Parks and Recreation on this. They are working in subcommittees on transportation, pedestrian amenities, energy and alternative financing. "For you to evaluate a project of this type, you are going to need some real analysis even above and beyond the economic analysis that you are talking about. I think our Task Force would be able to help you to a great extent with that, particularly with this current project and I feel like this project may later come back to you and discuss tax increment zone with you for some further improvements. I feel like these things need to be pulled together if they are going to be done and the Task Force should be in place to do that."

Motion

Mayor Pro Tem Trevino made a motion, seconded by Councilmember Goodman to close the public hearing.

Mayor McClellan reminded them that there was already a motion on the floor. Mayor Pro Tem Trevino said that motion includes closing the public hearing. Councilmember Deuser requested the motion be divided.

First Motion Withdrawn

Mayor Pro Tem Trevino withdrew his motion, Mayor McClellan withdrew her second to include the Matamoros properties.

HEARING - (Continued)

Roll Call on Motion to Close Public Hearing

7-0 Vote

Motion

Mayor Pro Tem Trevino made a motion, seconded by Councilmember Goodman to include the El Matamoros properties with the Austin-Bradford, Driskill and airport hotel sites.

Substitute Motion

Councilmember Duncan made a substitute motion, seconded by Councilmember Deuser to approve the three blighted areas (three hotels) before them and refer all new items to the Downtown Revitalization Task Force.

Roll Call on Substitute Motion - FAILED

2-5 Vote Councilmember Goodman, Councilmember Mullen, Councilmember Urdy, Mayor McClellan and Mayor Pro Tem Trevino voted No.

Motion Withdrawn

Mayor Pro Tem Trevino withdrew his motion to include all four properties. Councilmember Goodman withdrew his second.

Motion

The Council, on Mayor Pro Tem Trevino's motion, Councilmember Goodman's second, adopted a resolution to include El Matamoros properties. (5-2 Vote, Councilmembers Deuser and Duncan voted No)

Motion

The Council, on Mayor Pro Tem Trevino's motion, Councilmember Goodman's second, adopted a resolution to include Bradford-Austin Hotel, Driskill Hotel and the airport site hotel. (7-0 Vote)

RECESS

Council recessed its meeting at 7:25 p.m. and resumed its recessed meeting at 7:40 p.m.

AUSTIN'S LOUNGE

Council was scheduled, at 6:00 p.m., to take action on an appeal from Rev. & Mrs. Joe Dixon of the Planning Commission's decision on a Special Permit (Case No.C14p-81-090) Austin's Lounge, located at 4613-4701 East 12th Street; and the related zoning case.

Mayor McClellan commented she was not present at the hearing during last week's meeting, but she has listened to the tape and looked at the site.

Mr. Lillie, Director of Planning, told Council there is an additional piece of information. The petition which was given to Council is valid, therefore it will take 6 votes of Council to overturn the petition and grant the zoning.

Reverend Joe Dixon addressed Council on behalf of Pleasant Grove Baptist Church, Simms School and the community. He said it would be bad to rezone because of the children who go to school in the area.

Nancy Manning, president, Austin City Council of PTA's, said they have voted to oppose the zoning change.

Anthony Spears, owner of the property, said they have been there for 10 years. They have aquired the adjacent area for a parking lot and will have a fence. He said not many children pass by the lounge going to and from school.

Council questioned Mr. Spears on several points.

Mayor McClellan stated she has continuously voted against every "C-2" zoning next to a school, but all previous requests for that change have been new development. She said she knows of none where the present use is already there. Also, never before has a PTA supported the change. (She referred to the president of the Simms PTA, Mary Jones, who appeared last week favoring the zoning change.)

Discussion then ensued concerning regulations against allowing any sexually oriented commercial establishment to ever be allowed on the site.

Motion

Councilmember Goodman made a motion, seconded by Councilmember Urdy to uphold the Planning Commission's decision on a Special Permit (Case No.C14p-81-090) Austin's Lounge, located at 4613-4701 East 12th Street; and the following zoning case: (7-0 Vote)

C14-81	ANTHONY SPEARS	4613 &	From "A" & "C" 1st H&A
223		Street	To "C-2" 1st H&A
			<u>RECOMMENDED</u>

GRANTED AS RECOMMENDED WITH "C-2" ON BUILDING, "C" ON PARKING LOT, MASSAGE PARLOR AND/OR SEXUALLY ORIENTED COMMERCIAL ESTABLISHMENT PROHIBITED, NO HEAD IN PARKING, PRIVACY FENCE, INGRESS & EGRESS WHERE TWO PROPERTIES JOIN.

LOST CANYON CONDOMINIUMS

Council was scheduled to hear the summation and decision at 7:00 p.m. on appeals from Ms. Glenna Balch representing Zilker Neighborhood Association and Mr. Don Dodson, of the Planning Commission's decision on granting a Special Permit for Lost Canyon Condominiums. (C14p-81-079)

Jack Holford appeared before Council representing Lost Canyon Condominiums. He said he has a new topographical map and has reduced the number of units to 60. The knoll, which was a concern, has 6 units. The storm sewer conflict has been removed by moving buildings. Water and wastewater capabilities has been reviewed and there is enough to deliver to the area. He feels the proposed project will not impact the area.

Don Dodson, spokesman for the neighborhood, said enough buildings have not been moved and the paving will cause run off. He objects to the location of the party room, as he says it is too close to neighbors.

Rodger White, Acting Director of Water and Wastewater, told Council the original legal commitment is to serve 100 condominiums and there is the capacity to serve that many.

Richard Murphy, 609 Kinney, said the club house will be in his back yard and will be detrimental to his life.

Dr. Ben Raboot, soils engineer, said he is 95% certain there will be no problem with the soil in the area for building.

Councilmember Deuser said there are some concerns about the club house and asked if the view to the west can be restricted. Mr. Holford said there is no opening on either the east or the west. Mr. Holford also said Mr. Murphy's house will be 200 feet away from the club house and there will be fences and trees in between.

Ms. Glenna Balch appeared before Council and expressed her fears that the condominiums will impact the neighborhood. She is also afraid the houses will slide down the slopes.

Motion

Councilmember Duncan made a motion, seconded by Councilmember Mullen to approve the plat tied to the site plan with drainage control.

Friendly Amendment

Councilmember Mullen offered a friendly amendment for the owner of the property to give 60 days notice to the present occupants in the trailer park. The friendly amendment was accepted.

Friendly Amendment

Councilmember Deuser offered a friendly amendment that the club house have no view to the west and no deck. It was accepted.

LOST CANYON - (Continued)

Mayor McClellan said the condo's are appropriate to the site but questioned the number. The Mayor said she would make a motion if Mayor Pro Tem Trevino took over the meeting in order for her to do so. He did.

Motion - Dief for Lack of Second

Mayor McClellan made a motion to have a maximum of 50 units. There was no second to the motion.

Discussion followed.

Call for Question

Mayor Pro Tem Trevino called for the question.

0-7 Vote

Council continued discussion and then voted:

Roll Call on Motion With Friendly Amendments

(Close public hearing, approve plat tied to site plan with drainage control, 60 days notice to be given to present occupants, club house to have no view to west and no deck on the west.)

6-1 Vote, Mayor McClellan voted No

ADJOURNMENT

Council adjourned its meeting at 9:40 p.m.