

City Council Work Session Transcript - 2/26/2013

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it is tuesday, february 26, 2013. The time is 9:08 a.M. The first item on the end of the preselected agenda itemsto give you a little bit of a heads up. We do have one briefing schedule on the bond elections scheduled specific to the affordable housing and executive session to discuss legal issues related to the austin energy case. That will not happen until about 11:00 so we'll go ahead and go through these other items first. I have -- I belieit's several preselected items and go through those in order. First is item number 13. Councilmember morrison. >> Morrison: Thank you. This is the neighborhood housing and community development item which is a resolution stating that the council would support additional loan for eureka holdings, I think it's called, to build a -- applying for a tax credit through the state and as I understand it, this is the at-risk pool, so it's a state-wide competition. And there's many great -- a project done on wilson street. It's a lot of discussion about it. I know councilmember tovo and i were on in a meeting on saturday and staff was there also. Basically it was suggesting theree 173 affordable units there right now and proposing to replace the 173 units, as i understand, the same mix, lots of families that live there, it's a positive thing. Plus they want to build some units on the same property.

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The question is, has to do with the fact they would need a zoning change to build the market rate units. And now I see staff is here -- maybe they could join us right now. The proposal is they want to get ms-6 zoning, use mf-4 development standards and ms-6 to have a total of 500 and some units there. So the sense I got from the discussions from the community folks were that incentives overall, very concerned with the replacement units but concerned about the actual density so there's discussion about where they could come in. The neighborhood is being asked to also provide a recommendation and support for us, which is both of these things are important for the application. So the question is, if there's a pending zoning case, how does that all play with our conditional -- our loan approval and conditional approval. So basically I think the question is -- of course, we can't tie ourselves to a zoning decision in the future. Basically I think the question is, if -- if the application goes in with this proposal, and in the end our zoning does not allow for the 500 some units or maybe the 400 or whatever, does that then invalidate the application? So is it -- so really is the approval and the application contingent on getting that specific zoning? And so we have that discussion at the -- at the neighborhood meeting in bolton. The answer from the applicant was no. I thought it would make sense to get the staff's perspective on

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that. >> Thanks for your work. >> Another this has all come up in the last two days. I'll speak to as much as I can. My experience with the tax application process is, the applications are going go in this friday, march 1, they're due march 1. In that, they have to commit to number of units in the mix and all of the parts and the pieces of their application. So we -- our commitment is contingent on the application as it goes in this friday. So if they were to change any elements of the application that have to go back to the tdhca board approval, my experience has been it's normally a 90-day process and you can't change any element of your application without approval from the state board. So, I believe that we talked briefly on the attorney for this project making the funds conditional upon complimentary to the zoning as it goes in and if there's a zoning change, the commitment would be to the current zoning and the application that goes in on friday. We can request a copy. I've not seen the actual state application yet. They're not due until friday so they're all 12i8 working on them. We haven't discussed what that would look like. If we want our commitment conditional upon a certain type of zoning, then I think that's something that we can talk about in the next day or two. It's a tremendous opportunity to preserve affordable housing. If they lose those vouchers, they're gone forever. So it's incredibly important

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that we try to retain those vouchers if at all possible. The next income project is a very good opportunity. Mixed income is very important. So we're getting down to the density piece. Language in the resolution that makes commitment of funds conditional on the application of funding that goes in. And any changes is on the state to have to approve and if we want to put some sort of language that comes back to us, I think we could come back to that as well. >> Morrison: A couple of questions to clarify what you said. You said that if the mix or number of units changes, that's when it has to go back to the tdhca, whatever it is. So does that -- when you say the number of units and the mix of units, does that include the market rate and the I a fordable units, or just the number and mix affordable units. >> Anything the application -- this is something I would want to clarify. I have not had a chance to contact tdhca. My experience is anything that's in that application, if you change, has to be approved by the state board. But I want to verify that before I answer concretely. >> They would -- yet, that was essentially the question on saturday is is it -- they're very clear that they're committing to the 173 at the lower rate with the same mix. It's great. Tons of kids, lots of families, residents. They have a nice proposal to, you know, temporarily relocate the residents and allow them to move back in and things like that. They're talking about a lot of good things. That was the question. Is the mix of lower income units changes or the mix of the proposed 570 changes. Because I think it's pretty clear that they're real

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committed to the 173 and it's just the zoning that's going to determine -- >> let me make the call to the state and verify that. I don't want to misspeak. >> That would be helpful. We'll readdress this on thursday. We'll get more information. You suggested maybe we would ke our resolution conditional on the proposal as it goes in. But that's the problem is we can't make our support

conditional on 500 units because we won't know if we're going to support that as a council, we won't know until we get a zoning case in front of us. So I know that the attorney proposed some language to add that this conditional commitment does not face support or opposition otherwise for zoning or any other approvals that may or may not be needed for the project. And he was suggesting that that could help us in this situation. So you could talk with legal as well as -- >> we did that at 10:00 last night. We wanted the chance to check with the legal department and the state to see what would be the best way to resolve this issue. >> I think there's a lot of interest in getting the issue resolved and keeping the option open to compete for the tax credits for us to end one a good project on Wilson Street. But I think that it's one of the situations we've seen before. We have to grapple with it. With our strong commitment toward affordable housing and preserving and the replacement, fabulous, fabulous stuff. Where's that balance in terms of how does that fit into the neighborhood, how much density is too much density. I think they're willing to talk about it. From their perspective, there's room to talk about that. It's just a timing issue. >> I have a quick question. >> What amount of density did

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the applicant ask for? Was that the MF-6 amount? >> It's my understanding that they're going to be applying for MS-6. >> Are going to be applying for MS-6. So, just as you and councilmember Morrison discussed, we can't bind them to that or y'all have questions about that in terms of going before the state? >> We can't preclude the whole process for the rezoning. That's the hard part. There's a minimum 45-day process for the zoning and the applications are all doing this Friday. The developer is here. Is it appropriate for her to answer any of those questions or not? >> Not sure it will be appropriate because the application is pending and we're about to consider approval of it. But it's generally my understanding that the conversations are still going on and that the -- the balance as councilmember Morrison talked about will hopefully be achieved and that's the ultimate goal that I would like to see happen. >> Working hard to make that happen. >> Cole: Okay. >> Mayor Leffingwell: What is the affordability level of the units proposed? >> The 173 unit in the half contract traditionally also for folks 30% and below. That's why the half contract is a valuable tool to us. No longer issuing them. So all of the families typically served are 30% below. So are therefore very low income. My understanding is that the additional units are all market rate. At what mix, I'm not sure. >> Mayor Leffingwell: Okay, thank you. >> Morrison: How important the mix in this project is, I saw number, if I'm correct, staff had taken a look at how many children from the -- is it Oak Valley? I forget the name of it --

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there's 85 elementary kids that go to AISD schools there. >> A total of 300 children currently. >> Morrison: They're retaining the mix, so 30% and below family apartments so it will be great if we can find a way to work this out. The Golden Creek steering committee is continuing the education and grappling with the same thing is how do they show support but make sure that it's -- that it's on the table that they're not -- I guess get -- I get the feeling they're not comfortable with that density. Sounds like there's room for conversation on both sides. >> Councilmember Riley? >> Riley: Is there a risk of losing them? >> Absolutely. The current owner the units often go to market. There's a tremendous value just in the unit. Sold for market rate, we lose the vouchers. So if the developer developing this wants to continue that contract. If we don't do that,

yes, we stand a high risk of the next donor not wanting to do that and then we lose them. >> Riley: We expect that the units would change hands and go to market rate fairly soon? >> I don't have the timeline, but that's a possibility. >> Morrison: One more question. Is this half contract coming to an end or is there a need to do a re-up one way or the other? >> I need to verify the dates on that. >> Morrison: Okay. I think this is a situation we're going to run into elsewhere in the city? >> When he did the preservation study in 2009,

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there were I think 17, somewhere between 17 and 20 half contracts left in the city of Austin. I know that in the last several years, we've supported several of those projects to continue. So in the preservation strategy, half units are huge. Federal governments are no longer issuing those. When they're gone, they're gone. It's part of our preservation strategy when possible to be able to preserve those. They no longer extend them on 5 to 20-year contracts. The longer we can get the contracts extended, the better off we are. >> As I understand it, they're centrally located because they're older apartments so they represent a really critical piece of our affordable inventory. >> A big strategy 40, 50 years ago. >> Riley: One more question about the preservation strategy. The number you gave for the unit, \$50,000, \$75,000? Typically subsidized for new affordable units? Is that the same for the existing units or is that the same we achieve in preserving the units? >> It's difficult to compare. The units are older. Often we extend our funds on upgrading and making them more energy efficient. The units that were built 40 and 50 years ago are less efficient they're often very solid structures so a lot of the expense goes into upgrades for those units. There's a cost savings but there's a building activity when we do renovations versus new construction.

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I would be cautious saying there's a cost savings. The true benefit lies in keeping the extreme subsidies in those areas. >> Morrison: This is a resolution brought by Riley and I wanted to ask some questions and get a better understanding. I had the opportunity to meet with acc representatives yesterday and that was great to help fill in some of it. But one of the questions that came to mind, and I wonder if you could speak to that is now that the -- a lot of great stuff going in with Highland Mall and the airport advisory community has made a lot of progress. I was interested to know a little more detail about what the understanding is now about what infrastructure, specifically, we're talking about. Because this is a resolution about finding funding for infrastructure, for airport boulevard and around Highland Mall too. >> The infrastructure is part of the conversation on airport boulevard and Highland Mall for a long time. Some of the things that have been under discussion are the needs to make roadway improvements, both along airport boulevard itself and within the Highland Mall site to place a grid, some sort of street grid that you currently see the great big parking lot. Drainage has also been an important conversation. Especially in the area around Highland Mall where, as I understand it, there's one creek that still flows under that area. And there's been discussion about the possibility of a regional drainage or detention facility that could preserve multiple sites.

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A number of things discussed including centralized parking that would enable to relieve smaller sites the obligation to place parking on site. This resolution doesn't directly address any of those particular needs. It just directs the city manager to work with acc to explore the options for the -- that might be available for addressing all of the infrastructure needs. That's a -- has to be important when you consider the site, one of the first things we had to figure out with miller airport is how we were going get infrastructure in there to support the development of the whole site. And, of course, a tax increment financing district is one of the tools that we ended up using there. I don't know if this is where we'll wind up here, but its's something we haven't discussed previously. >>. >> Morrison: I appreciate the work -- I think of miller air park work, it's special because of the highland mall. The pilot project because we have lots of corridors that need the same kind of treatment eventually and I had an interesting discussion with, i believe they had done a burnett road mile corridor study. This is the same issue that came up there. Without regional, without a regional drainage approach, without a regional parking approach, you're going to get a lot less good development along the corridor. One of the things I wanted to raise in regards to this is to keep in mind this is in some

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ways a pilot project and it will help us figure out how we might do funding for infrastructure on how many miles of corridor we have that we think might be densely developing. Is it 26 or probably more? So in particular, if we were to start supporting infrastructure corridor improvement infrastructure with tips, we would want to look at that citywide as opposed to doing it for the airport. But everybody else thinks we're going have to do it every other way. We have to add that to the conversation so when staff goes forward with this and with the tiff policy development that's being worked on right now, that we can keep in mind if we're thinking about airports, what impact it would have if we were to do tiffs on all of our corridors. Might be a small amount relative to a 10% tiff or something like that which maybe we could handle. A little frightening to see us go forward with the other extreme, 100% tiff with all of the corridor, we would lose out on a lot of general fund. That's real helpful information. >> A lot of them have been funded through general obligation bonds. One result, the outcome of this resolution may be that staff could come back and say some degree of bond financing might be helpful to improve funding on the airport. That's a mechanism that we see working on other corridors that might be similar. With respect to tiffs, one thing that makes this particular project interesting is the fact we have multiple jurisdictions right there within the area that might have interest in

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participating in a tiff and that includes austin community college as well as travis county, which is just on the other side of 290 from high land mall, the headquarters up there they're about to redevelop. That's not to say any decisions have been made. But it is, I think, worth having a conversation with a number of stake holders including travis county and acc which has been participating on the airport boulevard advisory committee. So that's one factor that makes it difficult with other corridors across the city. >> Morrison: Funds for us on north lamar corridor already so we're talking about some of that. >> Riley: That's right. >> Cole: I have a couple of comments? >> Mayor Leffingwell: Pro tem? >> Cole: I had a good conversation and asked the staff to look at our policy. The reason it's so important is we're starting to look at tiffs involving

property that we don't own, unlike what we had. And that can be a part of the public purpose. So we want to have criteria for that. And one of the criteria that may differentiate the future requests for tiffs is the fact that we have other jurisdictions going in with us on this and we have other jurisdictions, not only the participation with the tiffs but bond funding also. Coming to the I believe at a, we want to keep in mind that aspect of if jurisdictions if we keep our potential funding on the

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table. Howard mall is a special location. It's in the city, east austin. We eert starting to see that area of austin really starting to boom and it's on the transit corridor. So all of the interests have lined up in a row. So I think it's time we start looking at the delay on that process. Thank you, mayor. >> Mayor Leffingwell: I wanted to mention, you, mayor pro tem, recently sponsored an item for council to ask the city manager to come forward with a recommended tiff policy. It might be appropriate to have that recommendation in hand before we embark on something. >> Cole: It does reference that resolution. So I'm hoping that through that process we'll be able to get some consistency. >> Mayor Leffingwell: All right. For the next item is -- councilwoman tovo is not going be here day, I'm so informed. So she pulled items 40, 45 and 55 and 57. Does anyone else want to discuss those items? Councilmember morrison? >> Morrison: Thank you, item 40, that's the resolution on our favorite topic, short term rentals, that's a response to some of the recommendations that staff made based on the resolution that was passed asking for that information. And one item in the resolution that I wanted to ask about was item 1-e in it be it resolved in the achieving the following objective. Limit it and provide an option of electronic notification in

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lieu of mail notice. The original ordinance requires notifying people within 100 feet, the folks within 100 feet and that costs \$50. The notification fee? >> Mayor Leffingwell: That's my understanding. >> Morrison: This is an attempt to decrease -- what's the goal of this. It significantly decreases the number of people who know what's going on. >> Spelman: If it goes to a neighborhood association that has a good means of contacting the member, then everybody's membership has the opportunity to find out about it. If we limit the current form, notification of people 100 feet, people outside of that may or may not find out depending on the contact they have with people within the 100-foot limit. >> Morrison: The concern and the goal is to save the \$50? >> Spelman: In part, yes. >> Morrison: In part. The concern I have is that it's hit or miss in terms of the neighborhood association e-mail list. Some are more robust than others. So you may well run into situations where, you know, there are whole pockets of people within 100 feet who aren't getting the notice. Has there been any analysis of whether or not -- you know, how many -- how many people are signed up, how good a job this will actually do. I think the information, the telephone number, contact number and all that is really important to make sure people nearby have it. >> Spelman: I have to defer to staff to see if there's a formal

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analysis. The informal analysis based on the map we got from the governor a year or so ago suggests that the primary concentration of short term rentals is in places where we have active neighborhood associations with excellent lists and bouldin and zilker and allendale. On the east side, we have good ones working. Notifying the associations in those neighborhoods at least likely to reach a lot more people to notify them to 100 feet. >> Morrison: We'll ask the staff in a minute. But I wanted to say an option would be -- I get that it would be nice to have a brer notification. But the option would be -- that could be done by e-mail. We have e-mail contacts for them. That could cost essentially zero would be to add that, replace -- to add it to the 100-footnote if occasion as opposed to replacing it 100 foot-notification. >> Generally speaking, my experience has been the neighborhood association, we have an e-mail contact for most of all them. Not sure if we do for every one of them. We do in the area. We have a lot of those. We know we have e-mail contact information for the president association. But in addition to replacing the mail notification with a notification of the neighborhood association that has short term rentals. One of the things that we presented to you friday before last is our concern that the purpose of the notification was to provide contact information to your neighbors.

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You have to save that piece of paper for indefinite period of time. My experience has been that people lose them before they even arrive or so they tell me. The idea of keeping it on the refrigerator for three or four years is not likely. A better try do this is through the internet to provide realtime on-line information so if someone changes the management company or leaves the management company, you provide more accurate information would be available all the time rather than having to hold on to that one piece of paper >> Morrison: Great, you said that the city has contacts for most of the neighborhood associations. I guess my real question was have you done an assessment of how good a coverage we have -- how good a the e-mail neighborhood list has in allendale. What's the chance that somebody within 100 feet of an str is going to be on the e-mail list? >> What we anticipate is notifying the president of the association. We have the point of contact and they will serve the needs they have. >> Morrison: I understand that, how effective is that going to be. My concern is it will be much more effective in some areas than others. And so that puts the other area s and the people living in the other areas at a disadvantage that they might become aware anecdotally there's an str -- if they're not on the list, they may not know there's an on-line listing. It puts them in a real disadvantage. All to save an str owner \$50.

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It's juan-time cost or is it an annual cost? >> It was an annual cost. It was something before this idea came forward that we were proposing not do it with the renewals but again the accuracy of the information is something we need to be concerned about as well in that scenario. >> Morrison: So that's the option, do it the first time and not do it with the renewals. So try to put all of the things together. First time around, do it within 100 feet. I think that a lot of the ftr will be a small proportion for -- a small expense compared to the revenues they expect. >> A one-time-only fee, it's certainly moretrue. >> Right. One of the things perhapses that came up in your memo was with the on-line map, are there going to be information -- first of all, you're planning to put the contact phone numbers on there also? >> Spelman: Yes? >> Morrison: Will they look

on there and find out those houses may from time to time be more likely to be empty? >> The question isn't raised. That is something we're looking to. We'll work with them as well as the police department. It could be an issue but we felt that on the one hand, they're advertising the str. Maybe some publicize, some do. It's on the data base. We put them on notice notifying

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this is an str. In many ways the information is publicly available but we'll look into that as we go through the process. >> I appreciate that. The third way you mentioned in terms of security that your mailing notice to people within 100 feet. I'm not concerned about people within 100 feet burglarizing their neighbor's house. >> Depending on your neighbors. >> Morrison: Maybe you're talking about the neighborhood you live in. That would be great. >> That would be great. >> Morrison: Glad we had a chance to have this discussion. I know changes could be made on thursday. >> Mayor Leffingwell: Councilmember riley. >> Riley: Talking about the experience if theyk about notification of 100 feet in a short term rental. Is that something you feel like you could overcome? >> Something we are working on. We had issues initially. We used the city's gis system. And so the gis needs the power. However, total compliance is using the addresses for the total str so people don't provide the survey. So our notification system is not set up to mail off what we call a point, an address point and set off the mail-in on a shape. We have been a couple of months delinquent because we had to figure out a system where we get it out. It's not anything else. It's just a matter of mailing off an address point and we're still working on perfecting that. >> Riley: With respect to the

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security conditions, we discussed a map that wouth show generally within a geographic area, a listing of short term rentals without providing an actual pinpoint of exactly where each one is located. Is that something they're considering? >> It's something we're experiencing. It's the police blotter approach or if you read the newspaper, they say there's a crime in the 3800 block of a certain street or something like that. We would that. If people need more information than that, they could call the city. The information would be available and they would have to call in and speak to a staff member to get that more specific detail. So that's something we'll consider and prepare the ordinance. >> Riley: Okay, thanks. >> Mayor Leffingwell: Okay, item 55, also called by councilwoman tovo. >> Morrison: I have a question. This is the zoning case that already passed on two readings, although it's not unanimous support. It's the last meeting, there was an agreement that was reached that mayor pro tem spoke into th record to ask staff to put it together for us to consider on the third reading. My main concern about this right now is I'm hearing that the conditions that were reached, the agreement have to do with the one-way only, adding the green screen and hours of operation. I'm -- I've heard that these are not goingo be part of the conditional overlay, but punted

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to the cup process. What I'm concerned about is why we wouldn't do it in a conditional overlay and secondly, what authority do we have to dictate the outcome of the c.U.P. Process? >> Mayor Leffingwell: They haven't given us the point of review. The items that are listed here are really

not appropriate for conditional overlay. They could be appropriate for a restrictive covenant. I know was at the table when it was being developed with developers. Our understanding was that the agreement would be for the use program application. The ability of the council to enforce that would, I guess, rely upon the fact that the way I understand, they have agreed when they came in with the c.U.P. That these items will be part of the application. They guaranteed they won't submit it with that. The application they're going to the planning commission and either party, the neighborhood or the applicant with the decision planning, they could appeal it to the city council and the city council will make the final decision >> Morrison: Why -- can you explain the rationale why we would put these to the c.U.P., not a traditional overlay? >> Specifically an item that you typically would deal with in the site plan as opposed to a zoning case that you kind of have a legal description when you talk about things such as the locations of the employee parking, the placement of a do not enter sign, green screen, which I think we need a little more detail on what that means and the location of them that these would be things that you typically identify on the site plan. I believe that's the reason why. >> Morrison: Okay, thank you.

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>> Mayor Leffingwell: Item 57. Anyone want to speak to that? Okay. Those are all of the items that were preselected. All that I have any way. So we -- we can go to our briefing on the housing bonds. >> Council direction to identify the preliminary steps on the bond election on affordable housing. It will review the practices of that and other cities on the focus of long-term sources of funding, identify state holder and propose scenarios for potential future elections. With your concurrence, we plan to specifically address this on future council briefings and lay out each element to help you make the best decision possible moving forward. We intend to discuss one critical piece that we believe is very essential. That is, you know, what is affordable housing. And how best can we possibly affect it with so many essential parks. This morning we had a discussion about preservation, a very essential part of affordable housing. So that's important that we have those discussions. Then also, what avenues do we have available and at our disposal to use to improve the quality of life of so many residents that fully deserve to have affordable housing. We intend to make that a big

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focal point of our discussion going forward. Let me turn it over to the staff that's done an excellent job of pulling it together quickly. Proud of the work we've done. Becky Spencer, the director. Assistant director of public housing that will provide you with the information. >> Holow. We're pleased to present some information but I don't want to take complete credit for it. We've had a lot of folks working and we pulled together as a working group which comprises with the capital planning office, the finance department, the communications department, and health and human services. The law department and several others to bring forward what I've passed around in the event that you had plans on Valentine's Day and does not read your memorandum, we've got the timeline moving around that offers you three different scenarios. Just to begin with this, this was to January of this year, identify and take preliminary steps to authorize general affordable housing. Review previous practices of long-term sources of funding for affordable housing and doing what we did today is offering a summary distributing to council February 14 which is to provide timelines for required actions, stakeholder preservations, public

input, and future briefings on this issue on various topics to the city council. One of the things that nhcd, the

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housing department, continues to do is really to talk briefly about what we mean when we say affordable housing. And as you all know, this term is defined by h.U.D. As an individual paying no more than 30% of his or gross income. One is considered cost burdened when this exceeds 30%. However, managen austin has given us an opportunity to broaden the education around affordable housing specifically to talk about it in terms of house hold affordability which takes far more than just an income in coideration. I talks about what a house hold spends for taxes, transportation utilities, as well as rent and/or their mortgage. If you look at it, y0u see the need for expansive partnerships, a great deal more education and certainly strategic siting of affordable housing. We look forward to continuing to work with the transportation department, rob spiller and our department had preliminary conversations and we see the transportation department and others being very vital in really coming together in our prioritization program objectives around imagine austin. Actions under way include pulling together the active group working on this issue for several weekings. I noted who those folks are. Forgive me if I eve missed anyone. Proposal timelines, I passed around a more expansive version of what you'll see. We included a snapshot of this. Future briefings will be offered to you all in a way that it works for you. Various topic, 14 identified

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topics in the resolution that you all identified as wanting to know more about. We intend to collapse those in four or five briefings. We can do it in four. There's synergy around the conversations they with be collapsed to key conversations. We had conversations about developing a community outreach plan. There's a need for community outreach on this issue one way or the other. So we intend to do some comprehensive and broadened outreach and education about house hold affordability and affordable housing regardless of whether we had the direction to set an election date or not. I think it will serve all of us well to have additional staff working on the decision around affordable housing and do best practices. We did attach a best practice resort which summarized best practices around dedicated revenue and regulatory practices as well as setting goals and targets around affordable using so we can achieve what imagine austin has charged us with, house hold affordability throughout the community. Finally we worked with the law department to identify thr different dates. The timelines are aligned to the three dates you can see here. We offered what the last date would be should council decide

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they would like to select a future date for an affordable housing bond election. You can see here the dates that correspond with november 5, 2013, may 10, 2014, and finally november 4, 2014 this is somewhat -- it's a -- it compacts quite a bit of information on one chart. What we would like to do if council does select a date is it come back and offer you a chart that's specific to the timeline that staff has directed should we be directed to do future work on one of these dates. But essentially what you have is november 2013 and november 2014. Would follow the same

timeline as in months. So if you forecast those months to 2014, what you can see is typically may would be the time that the finance department would come back and update the council responsive to a debt capacity. Certainly the community outreach plan is a multi-month and would be in tandem with a number of different points brought back to council. And so a presentation to council in June regarding to June 2013, for example, on a November date, we would come back to you with the capital planning office and talk a little bit about everything that we had heard from community input standpoint. In that November coming working with the capital planning office, come back to you by August for any information that you would need to set a date in November, 2013. Again, those months would follow the same timeline for 2014 and then May 2014 is somewhat different and lays out what that timeline would look as well. There's more detailed information on-line, on our website as well as what you have

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today. We wanted to talk to you about a community engagement plan. A partnership has two departments. This allows the capacity to broaden the education in outreach around affordable housing and the Imagine Austin initiative to the community about house hold affordability and the importance of strategically siting and funding affordable housing. We do anticipate just in our preliminary conversations with the communications department a multifaceted approach, having on-line tools, forms, interactive workshops working with the engagement office to offer a multipronged strategy. One of the things that -- it offers certain lisener ji in what we do every year in the federal funds. We do do a needs assessment which is a multi-month process. This falls in line with what we're doing kicking off around March each year to assess the community needs around our federal investments. Finally, this is the list of different items specifically laid out in the resolution. I won't go through every single one of them. But I wanted you to have just a list of the various topics that we would be designing future briefings around. And this would be in partnership with the capital planning office. Also the law department as needed and also the finance department. Finally, there are specific items related to affordable housing. These topics would be brought forward to you as well. The form of briefing. And we've listed these specific issues that are affordable housing related. We do anticipate having community partners where applicable as well as potentially the transportation department and/or other as needed or desired to partner in bringing forward some of the

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information. We intend to initiate that April and engage in efforts around our program that is under way for Imagine Austin and then developing the presentations with our partners to bring forward the information you all have requested at your direction. We're available for questions and we do have the partnering departments present should you have questions for them as well. >> Mayor pro tem? >> Cole: Thank you. I want to thank you for the tremendous amount of work and thank the partners for the work you put in it. Doing all of this work might look easy when you see it but getting it together is very, very difficult. So we appreciate that. What led to the resolution that is leading to all of this work, of course, is the fact that the affordable housing bonds did not pass. We're in kind of a very challenged difficult situation now figuring out what we do and we have not edge kated the public enough about what we did on affordable housing and how critical it was to our community and that we needed to embark upon this effort to

change that. So I'm glad you're going about that. I would suggest that we try to get the briefings down to four. But I do think that after those four briefings, hopefully all of council will be comfortable with making a decision on going out for bonds again and what we need to do in our role in making that happen. >> Understood.

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>> Morrison: It's to set goals for affordable housing which is going to be helpful for the community outreach part of it but also to help us focus on where we want to go and what we need to do to get there. So a couple of things. You mentioned there's work going on to actually prepare for the past few years information on what kind of affordable housing we have been able to support adding to our inventory in the city sort of by different types. Can you talk a little bit about that? >> Sure. One of the things we want to show case all of the policy work that's been done for many years in Austin. We're working on the communication department on this for an interactive website we will be able to demonstrate mixed use I'll try not to use our alphabet soup, planned unit developments, a number of all of the policies, transit oriented districts where we have had outcomes in those policies. And so we envision a website where you will actually be able to go on. You will be able to see those policies when and how council identified how the policies were. Any agreements related to those, this would include any of the agreements we'd be able to achieve through the partnerships with redevelopment growth and services. And be interactive where you could see council's support for IT THROUGH RCAs. But then through GIS, you would see where they're dispersed throughout Austin. There's enhanced phases of that website. But we are beginning to work on that. And it's in the preliminary stage. >> Morrison: It sounds terrific. It will help all of us looking at the success -- to understand what's been successful for the outcomes matching our expectations, things like that. And then, building on that, what are the goals in those -- in those different categories in

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the future. And, in fact, I think we can think about it and analogous to, for instance, our renewable energy plan. You know, we know where we want to go. And we have set out a plan, you know, we want this amount of money to go out by this year at this time of energy. Solar or wind or whatever. So it's a direction from the council. I think that that could really help us focus our efforts. I think there's so much going on -- there's a lot of good work going on. But putting it under an umbrella with the direction of -- and the guidelines of imagine Austin, it could really dictate -- it could put us on a path together. And that we could work to. So I think that it's somewhat what the action plan does. We sort of do this. >> I have a question for you? While you have that thought. Do you imagine -- >> Cole: Excuse me, mayor. In your vision, do you see us having specific goals for say that -- >> Morrison: It's based on the revenue opportunities that we have. For instance, we did this -- first of all, we're going to get a glimpse into whether we're getting any affordability with the projects. But we should be able to sort of lay out the next ten or 20 year, what's our vision for how many of the M.E. Projects will be happening. If it's way more, five years from now, we find out it's way more than we expected, we can

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adjust and shift our revenue streams somewhere else and things like that. So, yeah. >> So also we're -- >> Cole: I also think about, how do we overlay that with the idea that we need housing for women and children or housing for artists or we know we need housing for veterans and the funding for veterans actually comes from a lot of different sources or we get help from the v.A. >> Morrison: You're talking about the fact that in terms of affordable housing there's different ways to cut the tie, right? >> Cole: Right. >> Morrison: Some comes from P.A.D.s. Some comes from transit oriented district. Who does it serve if we have specific operations? That's another way to categorize it. You can set your goals -- you can set your goals in both -- both settings. Both categories. >> Cole: To your point, I think the public really wants to know who we are serving. That that's the piece that we are the -- we are to be vocal about or organized about. I agree with that. >> Morrison: Can you comment on our action plan we approve every year really sort of talks about this, right? >> It does, it talks about the need and the funding strategy to address the need. I think one of the things that it's perfectly positioned for what we're having now and imagine office and the code rewrite initiative is the comprehensive housing market study we're going have the opportunity to put out an rfq later for this year. Some of the things hearing you say echoes the community

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sentiment in that best practice is really looking at what the need is in your community, identify how you want to get there in setting numbers so you can really have benchmarks to measure your success. And we will be in that housing market study asking for strategies from those who want to submit a proposal. How do you take the landscapes out there. All of the information that we're getting are helpful. You're right. That's an expectation of the community. We can get there. Particularly with this next data set that will -- that we'll have. >> Morrison: And part of it is a communication issue. As you say, a lot of it is in the action plan. If we can raise it up a level so it's a little simpler to understand than a 200 page document and we can use it just like we look at our renewable energy plan on that level. I wanted to add if we're talking about looking at the need in terms of who we're serving, how we're going get there with the different kinds of things, the other element that we've added to the conversation is what areas of town is that house going be in? And we have to have this -- the council level discussion about the siting policy options that we're looking at. But it would fit in a setting targets for different areas of town would fit -- which is one of the options that's on the table there, would fit absolutely with this whole approach. >> Number one house hold affordability action item in our imagine austin strategy that you have all have given us or it's in the plan. It's what we're looking on. >> Morrison: Thanks for laying out all of these dates. Because I want to make sure that we don't close off any options.

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So this gives us the last date we'd have to act to get moving on november 13. But hopefully, we can arrange the briefings in such way that we can have as much information before we start making the do or die decision on the individual election days as the -- as the deadlines come forward. >> Mayor Leffingwell: Quick comments. At some point, not today, I'd like to know what the cost is of having the elections on this date, this date, or this date. It's going to depend on other local jurisdictions' participation. So I think that would -- that's going be a factor. The other thing is just a general comment that everything in the process of doing so-called community

outreach that you've got to be careful in that from cesc that you're not advocating for bonds. So something to keep in mind. And maybe we need to have a closed session discussion on this at some point, not today, obviously, and not thursday, but sometime in the next few months. >> Riley: I want to look at the election timeline and activities. When I think about that, the first activity that seems we'll need is some presentations on the line item proceeding pages. You set out eight broad categories of -- of subjects that need to be cover in presentations. And I just wanted to get your sense of when you're anticipating providing presentations on those topics? >> So with the direction that or

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council sentiment that a november, 2013 date may be desirable, we would start out now going out and laying out potential presentations for the next four to five available work session and/or council dates. So that's going be for us the tightest time frame in delivering the requested information and being responsive as mayor pro tem indicated to getting information to you all in a timely manner. If there is a desire to look further out, we have certainly a far more broadened timeline to bring forward those communications. So we would be looking for a direction in terms of what the date would be so we can plan accordingly. >> Riley: But your thought is thursday council meetings? >> We're open to either one. What staff did is it be done in a what it could be presented to you all so those would be possible venues but we're open to suggestions. >>. >> Morrison: If I could offer, what we did not want is to start briefings if there was not a wi for that. So I'm not sure if there's a desire to receive more information that helps you to make a decision. We're looking to you to let us know when you want this information if you want the information. >> Riley: That's helpful. I think we need to raise one subject we need to give careful thought to as we think about the timeline for the briefings and the election that we're contemplating. That's the subject that's in a number of these plans but not expressly mentioned and it's transit. We talk about the briefing on the debt capacity and we talk

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about plans for the other bond elections going on in the city, one thing we need to bear in mind is we had one discussion of going out for a bond election of our own for purposes of transit sometime within -- sometime by the end of 2014. And so I think we need to give careful thought to exactly what our timeline on that will be and how it relates to all of these housing issues. And appreciate that rebecca, you're mentioning that that -- that the idea of one idea in imagine austin is that we think affordability, not just the rent but the costs associated in moving in any given location. That suggests to me we want to be particularly careful about the relation between transportation and housing. And so I think it's a very timely for us to be having this conversation but at the same time we're thinking about rail. And I hope that as we look at these -- as we go forward with these briefings, that we'll be looking at best practices and ot cities, not just with respect to housing alone, but with respect to the relation between housing and transit. We ought to be thinking about how we could address that here. It's a complicated issue. There's been a lot of interest in the past in locating affordable housing around transit stops but there are other concerns about placing expectations on development around transit stops that might inhibit development around transit st there are concerns about impacts on the -- if, for example, we're relying on tax incremental financing. One of the implications for publicly funded housing around

there, a whole list of issues that we need to think through carefully and look around -- look at other cities to see how they're approaching it. So I hope as we go forward with these briefings that housing

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staff will be working in coordination with transportation staff and we might include transportation staff in some of the same briefings and talk about how we can come one a coherent plan for moving forward with seeking voter approval, not just for housing bonds, but for transportation bonds and that could include, obviously, the possibility that we could have a -- we could consider both in the same election, not in the same item, that we could -- we could present voters with a package at the same time that would include both transit and housing. That's just one thing we ought to be considering as we -- as we look ahead to the next couple of years and think about exactly how we're going to be -- what options that we'll be presenting to the voters, so I hope we'll give that careful thought. I think -- I hope that this might be a good time for the council to share any ideas about that since we do have to make some decisions about a timeline for moving ahead for the briefings that we'll lead up to elections on both the housing and transit. >> Cole: The immediate funding of the bond. We haven't started with the rail election. I believe firmly in the basic premise that is known that affordable housing and transportation go together to the extent that we are feeding that because we don't have enough affordable housing within the city and we don't have the transportation that convinced them to get people around in a dense urban environment. And I think the conversation about whether we put those two things together are not -- should be had. But my basic gut instinct hadn't said that, it's that we'll run out of funding. So nothing precludes us from

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having the conversation about the fact that affordable housing and transportation go together. But I'm not necessarily sure that we need to marry those on a ballot initiative. >> Morrison: One of the things we might think about doing is if, in fact, we didn't do the bond -- the bonds that -- the ballot items at the same time and the housing came first, would be to think seriously about, you know, as we develop what we would want to spend a certain ballot, a bond package, a housing bond package on is to tie some of it specifically to, you know, transit should rail election pass and then that way when we go for -- if we went for rail later, we could speak specifically to that and that would also, I believe, you know you might remember when he was giving the last briefing at council talk about the fact that the feds are looking for a housing tie to rail in terms of scoring their funding. So how we actually do that is still up in the air. In fact, I'm going to be meeting with them this afternoon to talk about that and you're certainly welcome to join me if you like. But that would be -- that has a possibility for being a very strong -- very strong that says hey, we've passed the housing bond that says if we have rail, a certain portion of that is going to go directly to supporting affordable housing around rail. So I think it's a really good point that you brought up. There's a lot to be said about that.

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>> Martinez: It maximized the opportunity to getting the feds come in and pay 50% of any potential project we have on the ground. I agree that these are not distinct and separate issues. I think as the feds are moving, we at a local level will have the objections. They do impact affordability. If you don't need a vehicle and you don't spend funds on transportation and don't need the apartment or rental category. You can afford 80%, 70% because you don't need a vehicle. They go well together and I look forward to the conversations and the work ahead of us.

>> Mayor Leffingwell: There's no scenario that's been discussed that does not include federal matching funds and obviously if federal matching funds weren't forthcoming, if the funds were approved by the voters, they wouldn't be spent. So -- I just -- I just got a couple of things. First of all -- message from kathie tovo who wants -- she says -- I said she wasn't going be here today. But she's -- it's not because she's not interested. [Laughter] >> Mayor Leffingwell: She's home sick with the flu. Her absence is unavoidable. I apologize for not saying that earlier, but I didn't want to invade her privacy without her written authorization. Second thing is we -- it's important that we go into executive session at 10:45, 20 minutes from now. So we do have about 20 minutes, I think councilmember spelman has an item he wants to discuss.

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But we need to have a firm time to go to executive session at 10:45. >> Spelman: I no longer smoke cigarettes but I give you plenty of time to smoke a virtual one before 10:45. One last question if I could -- a list of requested topics, housing topics. It seems to me there's one topic which is the presence in front of the rest of them; a lot of the stuff is fairly arcane stuff. Affordable housing, best practices, regulatory practices. It's what you guys do all day. I understand it's extremely important to do it right, but there's a preceding issue which I think we ought to put on the table. That is why does it make sense for the lal government to intervene in the housing market at all. And what has the return of investment associated with any money we spend on any kind of affordable housing, which is your topic number one on the affordable housing topic. That's the one we ought to talk about first. The rest of it is various themes on how we fund it and operate it. If there's a way to do that one first, I appreciate it. We may have to return to that issue of between now and when ever -- when ever this selection comes up if it does come up. Just be sure we worked that -- worked it out at several places we considered all of the possible benefits and costs and so on. Thank you. >> Mayor Leffingwell: Anything else? Councilmember? [Ringing] >> Riley: If it's for me, I'm not here. >> Mayor Leffingwell: I'll be right back. >> Mayor Leffingwell: Okay. No other items to discuss? Councilmember morrison? >> Morrison: I want to make one comment. I have an item with mayor pro

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tem for councilmember martinez about asking the city manager to look at recommendations for local and healthy food purchasing policies for the city. And I just wanted folks to know that it's basically a takeoff on this recommendation that we got from the sustainable food policy board which I -- you all were sent. And there is a difference between this resolution and their resolution in their resolution said come up with a policy that requires all food to be healthy foods. So like vending machines would have nothing -- would have no soda pops and things like. That we changed the resolution to say make it more general because I didn't know necessarily 100% was going to sell to this community or to this -- to this organization. But what I am going to do is

propose a change inside the language that asked our staff to come up with at least one option that is 100% healthy. So you can see what that looks like. But also come up with other options so we'll be able to have that discussion once it comes back to council. I didn't have a chance to mention this to my sponsors. I thought it would help to keep the conversation slower. Get feedback from the board members to say hey, what happened to the 100%. >> Councilmember martinez? >> Martinez: I don't have any intent in that. We make it binding so we don't have wiggle room. If we want to create options and lay out what those options look like for 100% healthy food and snacks, let's do that like you, I fear the resistance would be that you may have vending machines full of 100% healthy snacks but no one is buying anything from them and they're bringing their own unhealthy snacks because we don't provide those options. They provide a source of

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revenue. I know that it used to go directly to our rec centers the facilities they were located in, into the general fund. And while revenue is not the driving force, you know, I just want us to be cautious about making mandatory bonding types of commitments for long-standing practices that we've had. >> Morrison: I agree. >> Cole: Councilmember spelman? >> Spelman: I can't but mention I have a cup of coffee that's no means healthy. I had a danish and a half. Two nothings - it would not be allowed in a totally healthy vending machine. We ought to be careful to do what councilmember martinez is suggesting. >> Morrison: Really, the bottom line is -- the real goal is providing access as opposed to regulation about no, you can't do this or that. Because if there were different options up there on the table today, I may or may not choose one of them, but at least I have the choice. And there are a lot of good examples where slow transitions in enterprises and organizations have taken place. I know the doctor will be able to talk to us about that. >> Spelman: Celery stalks and carrot sticks remind me a little bit of cigarettes and I might be tempted to try one every once in a while. >> Cole: Comments, council? >> Spelman: Another item. >> Cole: Councilmember spelman? >> Spelman: I think we can dispense it quickly. Item number 30. >> Spelman: Police officers

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have a authority to impound taxi cabs violating the taxi cab ordinance. Is that accurate? >> Taxi cabs and other vehicles that are not licensed as taxis but perhaps operating illegally, yes? >> Spelman: Who's involved. Who are we expecting to catch in this net. >> Council member, we hear from legitimate taxi franchises as well as legitimate taxi drivers they see on the street many times unlicensed, unauthorized folks providing travel for a fee-type service. This is not car share. This is above and beyond car share where there's a business transaction being -- taking place, someone is offering for a flat fee to take persons from one place to the other. Goes beyond the federal definition of car share. If you and I split the cost on a trip. That's car share. If you make money off of me taking a ride with you, that is a vehicle for hire. That's the kind of unlicensed franchise in austin. >> Gypsy cab. The cab comes in from roundrock and offers to fly austinite to south or southwest, for example? >> Private citizen advertises I'll shuttle you down to atl or whatever. >> Jones virtual cab? >> Yes, sir. >> Spelman: Are cash shares involved in this or not? Car share car would not be involve in this or not? >> No, it would not be. Because that's more like a rental -- when you say car share, I assume you talk about car to go or zip car.

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That's a rental vehicle and so you as the driver are using it. If you split that cost with the other passengers, that's more like a ride share concept. Again where the concern comes in when you as a private vehicle or rented vehicle doesn't matter in terms of making a profit of you driving off to a location. >> Riley: Tell me about hayride. >> In our observation previous to this, hayride operates an on-line scheduling system for essentially authorized vehicle for hire. Our review of that model is they are booking a ride for unauthorized rider. Often there's no way to tell if they have commercial license. They're operating with a system that otherwise would provide a taxi cab. So therefore with hayride, we provided them with a cease and desist order. And, in fact, with the assistance of Austin police department, verified that they were operating in the middle of the taxi service and ticketed to their higher drivers. >> Spelman: So this would extend beyond ticketing and allow the impounding for a hayrider? >> I didn't want to point out a particular service, but, yes, sir, it would. Sister city to the south of San Antonio have had a similar policy in place for a number of years, since 1995. They rarely found they impound drivers but acts as a significant deterrent to illegal services going on.

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Right now, if the driver is found to be there they are ticketed. It's a ticket up to \$500 and the company is served as a similar ticket. What we'd like to be able to do with this is we find the persistent illegal enterprise is basically seize the equipment that allows them to continue that. >> Spelman: With the word persistent -- if you, forever reason, I'll ask you how a police officer might recognize one of these guys. But say a police officer is certain that they're in violation of this ordinance, this is the first time the officer has seen this driver of this car. Are we issuing a ticket, impounding the vehicle, are we going to arrest the driver? What are we going to do? >> The officer has all of the above opportunities to declare on his or her judgment with the way we define the way we check authorized taxi to make sure they are operating within the regulations. We take a taxi trip. And we book a trip. If we find that the person is unlicensed with the help of police officers, get ready to ticket. We take any of the taxi office or taxi companies we take a ride and we verify they're using the meter correctly, we verify that the stickers are in place. We test our own service that we franchise. >> This is referred to as a buy and bust approach.

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>> Nothing with that term. But I'll take your word with it. >> Spelman: Buying the ride and you need a ride and that's how it works. >> Would seem so, yes, sir. >> Spelman: So we would have at any moment pretty good information that somebody has in fact offered you an unauthorized ride. You've taken an unauthorized ride and you'll -- this is not something where you'll try to identify people who are offering rides on the street on the basis of casual observation. You require someone to be on the ride, to see the whole thing beginning to end. >> We have to have - - yes, we have to have the experience and a grounds to enforce or use the tools that you all provide us with, of course. I will tell you that two of my recent ride alongs as you said were with two individuals that were not aware that the particular booking company was sort of, you know, putting them in jeopardy of a ticket. We also found that one of those vehicles did not have proper insurance. One was not licensed by the state. One was not inspected. There are safety issues. It's

the reason we license taxis and franchise the operations. And the other safety issues. We're also aware that when a private individual does participate in this, it's voiding their insurance, probably, because they're providing commercial service on private insurance. So, again, in the unfortunate situation where an accident does occur, a crash or something, a passenger is left unprotected financially. >> Spelman: I understand that. >> Mm-hmm. >> Spelman: I presume there are more -- social transportation, social social something or other services. Hayride is one.

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They sold out someone else. They have a different name now. What's it called? >> Side car. >> Spelman: Thank you. These companies. >> When we're aware of it. We spend time looking on the internet for these kinds of things. The thing that's new is the outlet -- the electronic outlet seems to be mushrooming the number of operators that are attempting to operate here in Austin. One franchise here in Austin that is authorized. Has an on-line app that operates and provides many of the same opportunities that the popup ones also provide. We're also aware that one other franchise is negotiating with one of these national firms to be their on-line booking for them. So, again, there are avenues for these companies to take advantage of offer current legal franchise process that operate here in town. The concept of innovation is one that we support. We just need to have them within the tools you give us. >> A pathway to citizenship? >> Absolutely. >> Spelman: We appreciate the fact that we're providing said pathway and my understanding that the urban transportation system is going to be working on the pathway and improving the capacity of social transportation services to be competitive. >> Absolutely. We're supporting a couple of options that do operate within the definition of a federal ride share program. We think those are fantastic. And certainly fit within our ordinance. And we work closely with our other transportation providers. The regional mobility authority as well as the mobility Austin or members as new ride share programs come to town and want

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to operate to make sure they stay within the franchise regulations that you all provided. >> Spelman: Okay. Last question. It's mostly a facetious one. I know that the -- if somebody ever bakes the brownies for the car pooling I do for my son and some of his friends, I'm technically in violation of this ordinance because I receive something of value for a ride. There's no like hood my car will be impounded for receiving the brownies. Is that accurate? >> I think you need to contact an attorney. Not going to be volunteering, are you? >> No. >> Thank you, Rob. >> Cole: At this time, we'll go to closed session to take up one item pursuant to 551.071 of the government code. The city council will consult with the legal council regarding the following item, related to public docket number 40627 petitioned by Homeland United for rate, fairness to review city of Austin rate ordinance. Is there any objection to going to executive session on this hearing none, the city will go