

City Council Regular Meeting Transcript – 06/04/2015

Title: ATXN 24/7 Recording

Channel: 6 - ATXN

Recorded On: 6/4/2015 6:00:00 AM

Original Air Date: 6/4/2015

Transcript Generated by SnapStream

=====

[10:33:48 AM]

>> Mayor Adler: Good morning. And I apologize for the delay. I'm Austin mayor, Steve Adler. We're going to begin today with an invocation from reverend ken, of the cavalry episcopal church. Reverend, how do you pronounce your last name.

>> It's kessilis and mispronounced every way possible.

>> Mayor Adler: I apologize. He also happens to not only serve in this ministerial capacity, but also does the lord's work as the mayor of bastrop, so, mayor, welcome to our chamber for the invocation.

>> Mayor, councilmembers, it really is an honor and privilege for me to be here today as a retired priest, but as you mentioned, mayor, as the mayor of bastrop so I hope you don't mind if I put on my mayor's hat for a few seconds.

[Laughter]

>> And say that since the time at Austin was founded bastrop has been connected with y'all geographically by river and by road. And throughout the decades we have also become connected economically and politically. Now we're both part of a region that depends greatly on Austin's well-being. Because of our long-time significant association you will not be surprised that our prayers today are for your continuation vital and success. In that light I've come with a blessing written by a man, one of your predecessors who served two years on this council in the '80s and became general manager of Icra, mark rose, a valued citizen of bastrop and good friend of mine and as you will see also a poet. So please receive this prayer, this blessing from your friends downstream.

[10:35:51 AM]

May a current of hope run upstream and bring from its source not despair but dreams. Find those with the strength to reach across the road and carry for the one the other's load. May your work be for the betterment of all, for justice lost in the crush of a fall. For the peace found in the noble good and for the courage to do all that we should. God bless you all, and god bless the great state of Texas.

>> Mayor Adler: Thank you, sir. While we're sitting, I want to take just a moment of silence. Our family tragically lost two members, city employees this week, bob Eagan and January Janice Collins. If you'll join me in a moment of silence for them and their families to be remembered.

>> Mayor Adler: Thank you. Please be seated. A quorum is present. I'm going to call this meeting to order. It's Thursday, June 4. We are in city council chambers Austin and I hall 301 west second street, Austin, Texas and the time is 10:35.

[10:37:57 AM]

We're going to read the changes and corrections into the record. Item number 3 is going to be postponed until June 18. Item number 15, the wording, there's a non-substantive change to the wording. Item 15 should read approval, resolution, ratify and collective bargaining agreement between the city and Austin firefighters association related to wages, hours, terms and conditions of employment. For Austin. The four sponsors should read Zimmerman, troxclair, tovo, Adler and added to that list should be Gallo. This morning we have no briefings. There are some items that have been pulled off the consent agenda. The ones that I have being pulled are item number 2, Zimmerman, 11, Zimmerman, 29, Zimmerman, 30, Zimmerman, 35, Zimmerman. Item number 10, there is a request to set that for a 6:30 time certain.

[10:39:59 AM]

Is there another request setting that time for a time certain? Ms. Gallo?

>> Gallo: I had initially thought that maybe we could move it up earlier just because I think our goal in adding council meetings to our monthly schedule was to try to avoid late-night council meetings and the last handful of council meetings we've ended really late, which is I know hard for staff to be here and the public too. So my thought was to try to get this moved earlier, but it's my understanding this particular case that councilmember Garza, who we'd be delighted to have back with us, could only come if we scheduled it at 6:30, so I would be fine with leaving it then because we would love to see her back on the dais. But in the future I would ask that we really try to keep our council meeting time certain schedules a little bit earlier. So thank you.

>> Mayor Adler: We'll then set that time certain item number 10 for 6:30. Items 21, 23. Have been pulled by councilmember Gallo, item 48 there's a request for that to be sent for 1:00 P.M. Time certain, and then items 52, 53, 54, 55, there's a request that those items, which are the taxi cab related items be set for time certain of 4:00 P.M. We also have two items that have been pulled for the -- pulled from consent by speakers. They are items number 16 and item 44. 16 and 44. And we have two speakers that will be speaking on the consent agenda.

[10:42:05 AM]

Mr. King.

>> Kitchen: Mr. Mayor.

>> Mayor Adler: Yes.

>> Kitchen: Because I'm not remembering, how many speakers does it take to pull an item off a consent?

>> Mayor Adler: I think it's two.

>> Kitchen: Okay.

>> Mayor Adler: Okay? And we have two speakers speaking on the consent agenda, David king and Chris chicos. There's late backup on items ten, 12, 15, 19, item 10 is a fiscal note, 12, it's a map, 15 is backup, 19 a memo, 38 backup briefing, 39 backup briefing, 40 backup briefing, 42 backup. Nominations and waivers. 44, draft resolution, 56 is memo, and 64 is a map.

>> Kitchen: Mr. Mayor.

>> Mayor Adler: Yes.

>> Kitchen: There's also late backup for items 52 through 55. You don't have 55 here. There was a problem with what was passed out so you'll be getting that but 52, 53, 54 you should have at your desk.

>> Mayor Adler: Okay. And then I also have two items that were pulled by Ms. Houston. That would be

item 19, 20, 31, and 32. Okay. On item 42, which is the nominations, there are four nominations that do not appear in backup or late backup.

[10:44:07 AM]

They were made just outside the wire by councilmember troxclair. That is Mary Katherine stout for the electric utility commission, Michelle Travino for the historic landmark commission, Susan Von, and Matthew Mueller for the airport plan implementation advisory commission. Going forward, I don't know if it would be the will of the council, but it would seem to make sense to me that as we're handling boards and commissions nominations that we need people to submit them by 2:00 P.M. On Wednesday before so that they can make it on to backup so that other offices have the opportunity to vet or take a look at nominations that are made. So in the future I'll probably object to consideration of nominations that didn't make it into the backup for people to be able to see. But that would be on a going-forward basis. That would be 2:00 P.M. On the Wednesday before the meeting. So the items that I'm showing being pulled are items 2, 3, 10 is going to a time certain, so it's pulled, 11, 19, 20, 21, 23, 29, 30, 31, 32, 35, 37, and 40. 42, 44, 48 pulled and a time certain of 1:00 P.M. And item number 50. Those are the pulled items.

[10:46:08 AM]

Before we take a vote on the consent items, we're going to -- I'm sorry? I'll read it one more time. The items that are pulled are items 2, item number 3 has been postponed. Item 10 pulled for 6:30 time certain, item 11 is pulled, 19, 20, 21, 23, 29, 30, 31, 32, 35, 37, 40, 44 -- no, I'm sorry, 40 and then -- two speakers to speak on the agenda, David king and then Chris chicos.

>> Thank you, mayor, mayor pro tem, councilmembers. I'm David king, I live in the zilker neighborhood. I'm speaking on item 45, assuming that wasn't pulled regarding the land development code advisory group. I really appreciate you bringing this forward, sponsoring this, helping us to expand the cag to make sure we have broad representation across the and I and that we have the domain of expertise that we need to make sure that committee is well-rounded so thank you very much for taking this action. I really appreciate it. I would just ask one more time to put a plug in that we get -- that we appoint Mary ingall from the Austin neighborhood's council and Eleanor Mckinney, I think we need her on the code advisory group, a representative from the Austin tenant's council, a representative with water expertise so that we can bring domain of expertise onto the group.

[10:48:21 AM]

And we really need an economist on the group that will help us out because we're making decisions about land use. They're going to have an impact on affordability in Austin. And we already know that that's a big issue. And it's a very complicated issue here in terms of figuring out what strategies that we can implement through the land development code that will help us address affordability. And not bring with it negative side effects that we don't really intend on our neighborhoods. So I think an economist is really an important type of expertise that we need on that committee. And one other thing. The code advisory group, codenext is the most important project that we have in the city, I believe, and that we've ever had maybe in the last few decades. So I think that the code advisory group, since it influences the work of codenext, that the meetings should be treated like a board or commission meeting. They should be televised so citizens can watch online and look at it later on. I think it deserves that level of support from the city so I would urge that you please televise those, videotape those -- and watch online.

>> Mayor Adler: Ms. Chicos.

>> Did I pronounce your name correct?

>> Good morning, thank you for the time. My name is Chris chicos and I work for a large multi-family developer and I'm here to talk specifically about -- available. Many of the rebates, including the new pace program we have are great and I can justify to the company I work for because, over time they show savings. This particular rebate actually goes for measures done in the apartment that really only benefit the tenants, the low low-income and affordable tenants in those because their utility bills come down and they see the direct savings.

[10:50:26 AM]

So although it's good for the tenants, it's harder to justify to the developer and the investors that this actually pays back to them. So these type of rebates are enormously important and I'd ask for your consideration for this and moving forward for these sort of energy-efficiency measures that actually benefit the residents of our properties. I thank you for your time and if you have any questions I'm happy to answer.

>> Casar: Mr. Mayor.

>> Mayor Adler: Yes, Mr. Casar.

>> Kitchen: Thank you so much for coming forward and talking about this today. The view is there in my district in the St. John neighborhood and I know it's hard to find apartments under \$1,000 for a two bedroom, for a family so I appreciate the work y'all are doing and would love for you to connect with my staff about your comments regarding pace and how we make sure more folks participate like y'all have.

>> Sure. But it actually makes a lot of those things that don't payback quite as quickly. We can show it will be cash flow positive and it's a great program.

>> Casar: We'd love to take a look at your Numbers and thanks for offering.

>> Thank you so much. Thank you for your time.

>> Mayor Adler: Thank you. Ms. Gallo.

>> Gallo: And I'm going to say also that I would like to have involved with that. We get a lot of calls into our office from tenants so we all know over 50% of the Austin community are renters. We have a lot of weatherization and energy efficiency programs for homeowners but we're working on trying to expand it to tenants so I would love to be part of that conversation because we do get quite a few calls and e-mails from tenants asking how they can participate in programs to increase energy efficiency in their programs, so thank you, wherever you went to.

>> Thank you.

>> Mayor Adler: All right. That gets to us a vote on the consent agenda. With respect to one of the items on the consent agenda, we have the -- with the firefighters association, I just want to take a moment to mention two things with respect to that.

[10:52:31 AM]

The first is I want to, again, congratulate and thank councilmember Casar for taking the lead oar in that for the rest of us and helping to work that through the process. It was -- I'm proud to have participated in perhaps the most open and transparent and community-engaged one of these that this council has gone through that I can recall. And I thank you for that. And I also want to thank everyone involved, manager, your staff, and others, this was a process this time that also included the active participation of some of the African-American firefighters in the negotiation. I think that is a good thing, and I hope that that practice continues. I think that worked well. So congratulations, sir.

>> Thank you.

>> Mayor Adler: If there's nothing else then we're going to approve the consent agenda, which is items 1 through 50 with the exception of the things that have been pulled. The record should reflect that Mr. Zimmerman is voting no on items 24, 25, 27, 33, and 34.

>> Zimmerman: Is that correct?

>> Mayor Adler: The other ones that you had I think are all items that have been pulled.

>> Zimmerman: I thought -- okay, thank you, Mr. Mayor. I thought it would be easier to read the abstentions. I show abstaining items 4 through 9 are abstentions. They.

>> Mayor Adler: I don't have the same thing -- oh, I'm sorry. I just did that wrong.

>> Zimmerman: Okay.

>> Mayor Adler: You usually hand me the list and I have one in front of me. So the list I gave was Ms. Houston's list and I apologize. I'll do that again. Ms. Houston should be shown as voting no on items 24, 25, 27, 28, 33, and 34.

[10:54:34 AM]

The other items I think on your list, Ms. Houston, have all been pulled. And then, Mr. Zimmerman, I -- the record should reflect you being shown as abstaining on items 4 through 9, 13 and 14, voting against 17 and 18, abstaining on items 24, 25, 26, voting against 28, abstaining on 34, abstaining on 46, I think that's your list.

>> Zimmerman: That's correct.

>> Mayor Adler: Okay.

>> Zimmerman: Thank you, Mr. Mayor. That's correct.

>> Mayor Adler: Thank you. With all those noted, any other notes? Those in favor of the consent agenda, please raise your hand. Except for as noted, those opposed. So it's unanimous on the dais with Ms. Garza gone. And with the notations on the abstentions and the no votes as were read into the record. Am I forgetting something? The speaker that just spoke -- I can't get into my computer. Computer -- was Chris czichos.

>> Zimmerman: Mr. Mayor, point of information. Do we have five speakers on item two? Do I read that correctly?

[10:57:05 AM]

>> Mayor Adler: Since no one made a motion, the mayor pro tem makes a motion to accept the agenda, seconded by councilmember pool. Those in favor, or those opposed? It's unanimous on the dais, except as noted in the record, Ms. Gallo -- Ms. Garza not here. Okay. So I need to look at -- so, the first item, then, that is on our agenda -- okay. Okay. We're going to start with item number 2. Okay. So, the speakers for number 2 -- I think I have the names here now. On item number 2, we have four speakers. Ms. Peña, do you want to come down and speak? Is Gus Peña here? Mr. Peña? Sean English. And sunshine mathon?

>> Good morning, councilmembers. My name is sunshine, the design development director for foundation communities. Just very quickly, we have been involved -- have received Austin energy solar rebates since the very beginning of the program.

[10:59:08 AM]

In aggregate, I believe we are the single-largest private owner of solar in the city. All that benefit of solar to our utility bills, environmentally, goes indirectly to our residents that we serve. Homestead in particular, this solar application would be the first of its kind in the city on a scale like this where

essentially, we're providing solar directly to residents in individual apartments in a 140-unit multifamily property. And we have a way that the Numbers benefit them, and ideally, will work for us, too. I'm open to any questions.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Thank you. Is the complex here on slaughter lane, is it on the property tax rolls, or off?

>> It is on the property tax rolls.

>> Zimmerman: Okay. Do you happen to remember what the valuation is on that?

>> I do not know.

>> Zimmerman: All right. And what, roughly, what is the total of subsidies that have been awarded to foundation communities for solar? This is 193,000. Have there been others in the past?

>> There have. I don't know what the total is that Austin energy has provided, in part, because a number of the incentives are production-based which have not been paid out over time.

>> Zimmerman: Thanks.

[Clapping]

>> Mayor Adler: Okay. That gets us to all the speakers on number 2.

[Off mic]

>> Mayor Adler: I'm sorry N

>> Tovo: I'd like to move approval of that item.

>> Mayor Adler: Is there a second to item number 2?

[11:01:09 AM]

From Ms. Pool. Any further discussion? Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I'd like to speak against this item. I've had quite a few people here in the auditorium testifying before the dais, but even more people that have come through my office. And they've told me that solar is paying for itself. Solar is paying for itself, solar is paying for itself. And so as a policy, I'm going to be voting against all of these subsidies, because if solar is paying for itself, there's no need for us to pay 193,000 to foundation communities. So I'll be voting against.

>> Mayor Adler: Any further discussion on item number 2? Ms. Troxclair.

>> Troxclair: I have a question, I don't know which speaker would be the right person to answer it. I don't know when this complex was built, and I'm wondering -- because I think that they did foundation communities received some kind of grants or incentives from the city or the state to build infrastructure to begin with. I'm wondering if we're duplicating costs by coming back and putting in solar, and whether or not as a policy decision, when we make decisions about affordable housing, if we're going to give solar incentives, whether we should include that as a requirement in the original grant so we're not duplicating infrastructure.

>> Mayor Adler: Is there someone here that can speak to that? Thank you.

[Off mic]

>> Mayor Adler: Hold on a second. Your mic isn't on.

>> I'm the solar programs manager at Austin energy. It's an interesting concept. I can look more into it. Really, they're two completely separate incentives. One is for low-income housing development, that's the purpose.

[11:03:12 AM]

I don't know enough about it, but it comes from a different source. The solar incentives come from Austin energy, and so they really serve different purposes and they're from different funding pools. I think it might be complex to combine them. But we can look into what does go into the requirements

and if there are sustainability requirements or improvements that could be included in that. In this case, I think they're separate, and I don't think they are duplicate.

>> Troxclair: Okay. Yeah. I guess that was just more of a policy question going forward, that maybe if we're going to offer a complex -- do an incentive and then come back and do a solar incentive, it seems like it would make more sense to do it all at one time when we're considering the original grant. But I understand it's two different programs.

>> I believe for two different aspects, it's the building development versus adding solar panels as a separate cost.

>> Troxclair: Okay. Okay, thanks.

>> Mayor Adler: Any further discussion on this item 2? It's been moved and seconded. Those in favor, please raise your hand. Those opposed? Unanimous on the dais, Zimmerman voting no, Garza off the dais. I'm going to call the items that staff are present for. That's going to take us, then, to item number 16. Item number 16 on the agenda. We have three speakers. Is Gus Peña here? Is John Jacobs here? Here. Okay. Is there a motion to approve item number 16?

[11:05:17 AM]

Mr. Renteria, seconded by Ms. Houston. Any discussion on item number 16? Those in favor of item number 16, please raise your hand. Those opposed?

>> Zimmerman: Abstain.

>> Mayor Adler: All in favor -- unanimous on the dais, Mr. Zimmerman abstaining, Ms. Garza off the dais. That gets us, then, to item number 21. This is a resolution, Ms. Kitchen, I think, that's yours, that is just sending this -- why don't you lay out what number 21 is, if you would. We have a group of speakers to speak in favor of it. This is the flood --

>> Kitchen: That's not mine.

>> Mayor Adler: I'm sorry, you're right. You're right. I apologize. Item number 21. First speaker is Stacy S. Second speaker is Stuart Hirsch.

>> Mayor and members of the city council, my name is Stuart Harry Hirsch, and like most in Austin, I rent. And I am here to ask you to approve item number 21 with some amendments. And those amendments are necessary to avoid what the great Italian poet Dante wrote in the divine comedy.

[11:07:17 AM]

Over the inscription over the Gates of hell, according to Dante, were, "Abandon every hope who enter here." What you are about to do, I think, your long-standing policy of -- benefits to property owners in Williamson creek, and I suggest that you not do that. Instead, you do what the staff suggested, which is amend the uniform relocation act. And there should be at least two amendments to that. One is, that renters, to receive relocation incentives, have to have been in the house at the time of the flood, October 2013. And they have to be there today. So we're not incenting renters who moved in after the floods and giving them the same benefits. The second thing I'm recommending you doing is that renters whose owners don't want to participate in the voluntary buyout program still get incentives. They were damaged, and the fact that their landlord doesn't want to participate doesn't mean they should continue to be in a flood-damaging structure. You have to provide fair costs to the tenants who have been in these units for 18 months now. The other thing I would suggest is that you add one more amendment, based on your work session the other day. When you notify people this is a voluntary program, I suggest you also tell them that if they don't accept the voluntary buyout that you will not offer in the future housing of last resort. The way to save money is to let people know that if they participate voluntarily, that they'll get housing as a last resort. But if they don't, since this is voluntary

and not under eminent domain, this is a one-time deal. Because our goal should be not to make 68 offers.

[11:09:18 AM]

Our goal should be -- people, not the buildings. And maybe budget is the time to take this up. But -- either in onion or Williamson. And I'm asking you that that performance measure should be that all those offers are made by November 1, 2017. And I'll talk about that when you take up the task force item lately. Because four years after the flood, people should not still be waiting for their first offer. That's bad public policy. It's unfair. It traumatizes people, and we can do better than that as a city. And so, I'm hoping that when you talk later --

[beeping]

>> About the task force, we'll be able to talk about that some more. Thank you very much.

>> Mayor Adler: Thank you, sir. David king. And then maria shepherd is on deck.

>> Thank you, mayor, mayor pro tem, councilmembers. My name is David king and I support this item. I'm glad we're moving forward on this. And I agree with the previous speaker. We'd like to suggest that, you know, going forward that we do not grant any variances in any flood plains to encourage, you know, more than what the property owner could already do by right on that property. We shouldn't add to the problem here. So I hope that we'll never approve any more variances to flood plains in the city. The other thing I would suggest is that we look at a longer-term strategy to deal with this. We know we're going to have more of these situations occurring. It's not a matter of if, it's a matter of when. So what do we do? Are we going to have another round of buyouts? Multimillion-dollar buyouts, tens of millions of dollars? That really is what our future looks like in at least a few other areas of our city going forward.

[11:11:19 AM]

So, I think that we need to have a long-term strategy. What I would suggest is that we consider a flood impact fee on new development in flood plains. As I understand, we can't stop somebody from developing in a flood plain if they own property, but we're not required to give them any variances or any assistance in developing in those flood plains. So if they can develop in the flood plain and they do, inside the city, then there should be a fee, a \$2 per square foot flood impact fee for every development that's done in the flood plain. And that fee should go into a fund that earns interest so that when we do have these events occurring where we need to help our citizens who are flooded out, that we have a fund that we can tap into. But it's paid for by development in those flood plains. And the fee should be used to purchase flood insurance so that the burden is not completely on taxpayers to buy that out. And then, to say that we will -- the flood insurance will pay the big cost for the damage, but then we're only -- then we could chip in with maybe some relocation costs for low and moderate-income families. And I think that these strategies, in terms of flood insurance and relocation costs should only apply to moderate and low-income families. If you have high income and you build and develop in a flood plain, then it should be your responsibility to pay for that. So, anyway, I hope that we will look for a long-term solution to this problem. Thank you very much.

>> Mayor Adler: Thank you. Next speaker is maria shepherd. Richard on deck. Ma'am.

>> Thank you, mayor Steve Adler and district councilmembers. I'm a flood victim in onion creek. And currently, we're in the hundred-year buyout area.

[11:13:22 AM]

And I just want to say thank you for moving forward back in March of 2015, authorizing the hundred-

year flood plain buyouts using the uniform relocation act. I would like to request the same thing for Williamson creek 25-year flood plain with one amendment. Upon reviewing the posted language, there's a waiver to city code 14-3, and I would like to keep everything the same as you did for our onion creek residents. And the amendment is to remove the waiver city code chapter 14-3. That's the only difference between the onion creek buyouts and the 25-year Williamson creek flood plain buyouts. Thank you very much.

>> Mayor Adler: Can you tell me what's the substance of removing that waiver?

>> The substance of that is the relocation. And I didn't see any backup. It just listed the city charter, 14-3. And I didn't see any backup. I just noticed this this morning. And that was not included with onion creek buyouts. The 25-year onion, or the hundred-year. I'm just requesting that you do the same thing for 25-year.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: At the appropriate time, I'd like to ask staff to explain to us the impact of removing that section and relationship between the relocation buyout -- relocation approach that's currently in this version versus what was done in onion creek. So.

>> Mayor Adler: Okay. I have similar questions. Thank you, ma'am.

[11:15:23 AM]

>> Thank you.

>> Mayor Adler: Let's have the couple last speakers that we have, and then we'll call up staff. Richard Peron, and then Nancy Riley is on deck.

>> Thank you, mayor, fellow councilmembers. My name is Dick, a lifelong resident to south Austin. I have seen the creek have many times, flood the neighbors. I thank you for bringing this up and moving forward with it. Last year, it was budgeted for this. These people need to be given the go ahead so they can sell out voluntarily. This got real close to flooding this past week, and I saw the pictures myself. I was over there. So, anyway, thank you again. I hope you move forward and be fair, and give the same plan as you're doing to the lower onion creek to the Williamson creek buyout. Thank you.

>> Thank you, mayor, and councilmembers. I live on -- in Williamson creek. I'm in the area that you're discussing a buyout. And I just want to share when I bought my home 28 years ago, it was not in a flood plain. I have since been informed I am. I have since bought flood insurance. I have since witnessed three times my neighbors flooded. I have since witnessed at least a dozen times of scary moments. Those scary moments are happening more and more -- up to people's back yard porches another inch, another hour of rain would've been in their homes. Another two hours, another couple/3 inches of rain would've been in my home, which is across the street. It's scary every single time it rains. I have neighbors with elderly parents, with children.

[11:17:24 AM]

Even as an adult, it's scary. I didn't ask for this to happen. I had nothing to do with the zoning. I had nothing to do with the history of impervious cover upstream. I have nothing to do with whether there is or isn't global warming affecting our climate. But I'm in a home that's now told to be unsafe? I'm in a home that now I have restrictions on how I can sell it, if I can sell it. And if I sell it to somebody -- I am ready to sell tomorrow, frankly -- then I'm going to sell to somebody else who's going to buy this problem. I don't want to do that. I want them to be safe. I want to be safe. I want my neighborhood to be safe. There's a solution passed last budget year. We've been on hold for almost a year waiting for some progress on this. So I ask you to pass this ordinance, set up policies that make it feasible for people to try it Oare locate in Austin, which has a crazy housing market right now, and I urge you not to

postpone this bill, to take action and let us move forward with our lives. Thank you.

>> I disagree. Just disagree.

>> Oh, okay. Thank you. Our last speaker is Mary.

>> Hello, mayor, and city council. I'm actually the neighbor that lives across the street from Nancy. And I have -- I did go through the flood on October 13th. I went to sleep at 11:00 at night. I woke up at 5:00 in the morning to a huge river on my back door step. I had about three minutes to evacuate with an 80-year-old mother and a 10-year-old son and pets. Luckily, we got out and drove through a low water crossing. It was a very traumatic event. And, you know, it's very hard to live on a beautiful, beautiful neighborhood in a beautiful part of town and to know that you're not really safe.

[11:19:29 AM]

And over the memorial day weekend, it was -- we evacuated just in case. The water did get halfway up my yard. It's very hard to leave my neighborhood. We are not in a position to move easily. My mother is in hospice care. We don't qualify for a mortgage right now. So this is very stressful for us. We know that it's not a safe place to live anymore. So I ask for your help to make this an easy transition for us, that it does not become further stress in our lives, and to move quickly, because we've been under this cloud since October for a year and a half now. And, you know, to live under this for a couple more years is really, really difficult. And also, like Nancy said, I don't want to hand this problem off to another family. Okay? So, thank you.

>> Mayor Adler: Thank you. Those were all the speakers we had on this item number 21. Can staff come up and talk to us about this program?

>> I just want to let you know --

[off mic]

>> Good morning. Mayor, council, nick, assistant city attorney. Just as a point of clarification, you all should have a yellow sheet regarding relocation benefits. And what happened with respect to the relocation benefits in this item is we had a briefing on the general voluntary buyout discussion on Tuesday. It was supposed to be last week. We would've had a broad discussion on what relocation benefits council wanted to bring forward. We were going to put that in the ordinance. They were in the same week, we waived the 14-3 relocation, but we didn't put a placeholder. In front of you are three separate motions to add relocation to the ordinance. The first one, following the uniform relocation act with housing of last resort, which we've done historically in onion creek. That's option one. Option two on the yellow sheet is for relocation but without housing of last resort, and then option three is relocation following the uniform relocation act but capped at a lower amount.

[11:21:39 AM]

So you would have to add in what lower amount you would want to add.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: So, the option -- let me make sure I understood what you said.

>> Absolutely.

>> Kitchen: Option -- what's the difference between option two and option three? Because option two does have an amount in it.

>> Right. Option three is, if you opted to go for an amount lower than 31,000.

>> Kitchen: Oh, I see.

>> So, it's just for ease so you can read ahead.

>> Kitchen: Just for clarification purposes, if we were to go forward with option number one, then we would be providing the same type of support for Williamson creek that we did for the onion creek

buyouts?

>> Exactly. It would be exactly the same.

>> Kitchen: And option two and option three would not be, is that correct?

>> That's correct.

>> Kitchen: Okay, thank you.

>> Mayor Adler: Yes, Ms. Pool, and then Ms. Gallo.

>> Pool: So, staff, option one would be the same as what Mr. Hirsch was recommending, his item number 2 on item 21 was assist tenants who were lawfully renting flood-damaging homes on 10/1/13, I guess this is the tenants, not the homeowners?

>> The eligibility exception discusses tenants that run after the event for purposes of obtaining benefits.

>> The federal relocation act as two different provisions. 90 and 120-day occupants. Someone who moves in now would not be eligible.

>> Pool: Are you saying what Mr. Hirsch was asking for is included in the regulations that FEMA --

[11:23:41 AM]

>> Under the uniform relocation act, they would be eligible if they were located there as of the date of the flood event and are still located there. They would be eligible.

>> Pool: And that's for tenants?

>> Correct.

>> Pool: It sounds like, Mr. Hirsch, number 2 on your item 21? I'd like to make sure that that's the case, if we could just confirm.

>> Casar: Mr. Mayor.

>> Mayor Adler: Yes.

>> Casar: I think I understand the qualification or the difference, perhaps. I think what Mr. Hirsch brought up is that if the landlord does not want to be bought out, that relocation benefits still be offered to a tenant there at the time of the flood.

>> Oh, okay.

>> Casar: I think that's the point he was bringing up.

>> Okay, councilmember. If that is the issue, I'm sorry, I misunderstood. If that is the issue, then they would not be eligible for relocation. And the reason the uniform act has it that if a landlord doesn't want to sell we don't relocate the tenant, the landlord has the ability to put another tenant in their property. There's no tool that we have except for the use of eminent domain that prohibits a landowner from moving another tenant in the property as soon as we pay to relocate a tenant out of the property.

>> Pool: And I see that as a problem that I don't know that we can address that right here, right now. But that is something -- would we be able to talk about that in the task force that we're looking at creating? I'd like to be sure that we do that.

>> Yes, councilmember.

>> Pool: Okay, thank you.

>> Mayor.

>> Mayor Adler: Yes. Ms. Gallo first, and then Ms. Houston. I'm sorry, are you on that same question?

>> No.

>> Mayor Adler: Okay, this has Gallo, then Ms. Houston.

>> Houston: Oh, I think I am on the same question. Help me understand. So, a tenant whose owner refuses to participate in the optional, voluntary buyout, they have no right --

[11:25:52 AM]

>> To receive --

>> Houston: To receive benefits.

>> That is correct.

>> Houston: Okay. Just wanted to be clear.

>> Gallo: This -- as we've talked about over the last couple of months, and it started with the onion creek discussion, you know, all of us up here were elected to determine policy for the city of Austin. And since we started talking several months ago about the onion creek buyout, I have been asking -- and we've been talking about, does your department have a policy for buyouts citywide? And it's my understanding is, there is not a current policy. And so as we've talked about different areas, we're treating each of those areas the same, or possibly different. We're leaving other areas out. I think councilmember Houston has continued to say that there are a lot of homes in her district that are affected. I know that we had -- that we did not approve because there was not a policy in place. And the concern that I have with this -- I mean, flooding is scary and dangerous. I mean, just a couple of weeks ago we were faced with another substantial flood. We had a lot of flooding down on Lamar, with shoal creek. There are many houses that were flooded. And I want to make sure that we develop a policy, and that your department has a policy that we can equitably and evenly handle all of these issues citywide, and not just bring particular components to us to vote on. And I'm very hesitant to vote on anything until we have a policy that can be implemented fairly and equitably. I want to make sure all the residents in Austin are safe from flooding. So, as we've looked into this -- and I appreciate the speakers, because what y'all have said is, here are some areas and some concerns that we need to address. Here are some things that we need to have as part of the policy that aren't. And I think we need to gather all of that discussion together and come up with a policy -- have your department present us a policy as staff help us with some of the questions that we ask about this particular one.

[11:28:02 AM]

Things that pop out at me that are happening because we don't have a policy, let me give you an example. There's 63 properties proposed in this buyout. Eight of those were purchased after the flood. Eight of the properties were purchased after the flood. Six of them were bought in 2014. Two of them were bought in 2015. These are homeowners that knew there was a flood, and they bought the properties. And now we are assuming the risk that they took on being full aware of the fact that those properties had flooded a year or two before that. Here's my concern. If we don't have a policy, things like this happen. The money to buy these projects, properties, it's my understanding it was certificates of obligation that was passed by the previous council last fall. That is done without taxpayer vote, is my understanding, but paid for with taxpayer money. So, we're responsible for being -- once again, I think we want a long-term solution that can be carried out fairly. We don't want to burden the taxpayers unnecessarily on voluntary programs that don't -- federal money. Program and we're not requiring, because it's not federal money. Do we want to make a policy decision that we're going to do that? We've asked to find out, these properties are in the 25-year flood plain. Do you have a number for the number of properties in Austin that are currently in the 25-year flood plain?

>> Morning, Joe, deputy director of the watershed protection department. As part of our answers to questions on this topic, we did submit information relative to the number of homes in both the hundred-year and 25-year flood plains, particularly in for the 25-year flood plain, there are 1,550 structures in the 25-year flood plain.

[11:30:14 AM]

>> Gallo: So let me pull that piece out, because there's 1550. We are looking at funding 18 million --

almost \$18 million to buy 63. So, to carry out this plan equitably and fairly over the city of Austin, I don't have a calculator in front of me, but that is a substantial amount of money to do. And so, once again, you know, this is not that my heart does not go out to the people that are at risk for flooding. It does. I mean, it was just brought before all of our attention a couple of weeks ago. But my concern is that we pull these out. We spend 18 million. And then we still have another -- I don't know if the number 1550 includes these 63? Let's say it does, then we have another 1500 to address fairly. We need to be responsible for buying out. So, once again, this is a huge fiscal impact to the city, and I think doing this without having a plan and a policy in place, I'm just really uncomfortable with. So, thank you for your presentation.

>> Mr. Mayor.

>> I'm sorry, did you have a question?

>> I concur with the concerns that councilmember Gallo is raising. And that's why I'm bringing forward with my cosponsors the resolution that we'll get to a little bit later to create the flood mitigation task force. Because the issues that you're raising are just a piece -- not just a piece, but they are a piece of a larger issue which relates to how we handle, in our city, both flood mitigation and flood response. When the buyouts that you're talking about are part of our flood response. So we need a community conversation. And we can talk about this more when we get to item number 44. My support for this particular item is because we had an expectation in response to the flooding in Williamson creek.

[11:32:15 AM]

And my interest is on addressing those families that were impacted by that flooding, as we did with onion creek. I would -- it would be perfectly acceptable to me to not continue with any other buyouts until we get to a place where we've got a policy, a place that we've had a community conversation. But these folks in Williamson creek now -- I'm speaking to those that were there when there was a flood. They've been waiting for quite some time. And so, I think that I wouldn't want them to have to wait any longer while we try to work out a response. Now, I do -- I am interested in the question you raised about some of the families having bought afterwards. So, perhaps the staff could speak to that.

>> Councilmember, that is correct. We did look at when the different property owners had purchased the properties. What was looked at as far as choosing the properties, maybe watershed can assist in answering this question, is just based on whether the home had flooded. So it wasn't about when they bought their homes. That's information that, you know, we're just finding out as we're moving forward to do the next steps.

>> Okay, so I'm understanding, I think, councilmember Gallo laid this out. Some of these homes or maybe even most of these homes are for families that were flooded. But there are some that are not. Is that correct?

>> Is that correct, Joe?

>> Councilmember, Jose, assistant director with the watershed department.

[11:34:18 AM]

The area in Williamson creek, we do not have confirmation of which homes flooded entirely. So, that question -- we do reconnaissance as we did in onion creek, where the disaster happened the worst.

>> Go ahead.

>> I was just going -- we -- staff pulled a little bit of information just to kind of answer your question on the eight properties. So, we looked at the Travis county -- we looked at the appraisal district records to look at the D dates on these properties, and so we did. That's how we pulled the Numbers on the number that had been purchased after the flood. The total tcad value is 1.6 million on those eight

properties. And if we are also talking about relocation costs, that would put that well over \$2 million to pay owners for properties that they bought after the flooding had occurred, which is why I'm so uncomfortable with this, because we're establishing a precedent. Whatever we do here, we have to be willing to do somewhere else. And I think that this precedent of going in and buying properties and paying relocation costs for properties that were purchased after a major flood, I'm very uncomfortable spending money on doing that. The other question that I just assumed that all of these properties had flooded. So I'm even more concerned to hear that we don't even know if these properties flooded during the flood. So, just, once begin, I think we're making a major expenditure on something we have lots of missing pieces on, and I'm uncomfortable with the pieces I'm discovering. I'm not saying that staff -- this is your fault and you're responsible for it, I'm just saying, this is part of the whole picture, that a buyout, which is part of what the task force will do, but the buyout is an issue that we need to direct and help staff to come back to us with the policy.

[11:36:26 AM]

And has a procedure for determining, has the house flooded, what flood plain is it in, so we can take the 1550 properties in Austin and treat them fairly.

>> I have a question. Mr. Mayor, I have a question. So, the federal uniform relocation assistance -- earlier that it only applies if the family was there during the flood. I mean, that was our discussion earlier with regard to tenants.

>> What I said is that they had to be a -- if they move there a year ago or six months ago, which was after the flood, they would still be eligible. But once we start the program, they have to be there at a minimum, 90 days.

>> Kitchen: Okay. All right. Well, then my concern is, I'm very concerned about the families that were there during the flood and have been waiting a long time, particularly since we are treating them differently than we have the onion creek buyouts. So, it seems to me that there might be a method of separating this out. But in any case, I think it's unfair to treat the Williamson creek families that have been waiting. I think it would be unfair to make them continue to wait. And I think it would be unfair to treat them differently than we treat at the onion creek buyouts.

>> Just one point of clarification as to the flooding in the Williamson creek area, I was talking specifically about the October 2013 flooding. The neighborhoods -- and I'm sure the neighbors would confirm, this neighborhood was extensively flooded in a storm of October of 1998. So there has been a history of flooding in this area.

[11:38:29 AM]

>> Zimmerman: Thank you, Mr. Mayor. I did some quick aggie math, for councilmember Gallo. If it's 17,986,063 homes, that's over 200,000 for each home. If we apply it to 1487 remaining homes, it's a little over \$424 million. That would be at today's market prices. We don't know what would happen in a decade ahead. But, I think some of the -- referring back to this buyout relocation options, the three options we have here, it looks to me like these are -- under option one, I don't see any limit on the potential cost. Could anybody speak to that?

>> Option one, the limit is actually set by the value or the market of homes in Austin. But based on everything that we've calculated, looked at, we do believe that we can purchase with the 17 million.

>> Zimmerman: Okay. Okay, so it's limited only by the market. So I guess the housing of last resort, whatever the market is, that's what we would be obligated to pay.

>> That is correct.

>> Zimmerman: Okay, thank you. I guess where I'd like to go, I want to concur with all of councilmember

Gallo's concerns, but I'm more interesting in just understanding the legal liability. You know, if any, that the city would have. If you think about this from a property rights viewpoint, if I have a property or neighborhood who develops hopes and they're not in a flood plain, corps of engineers says it's not a flood plain. Then, in the years that follow, the city might do development up-stream which contributes to a flooding problem downstream. In my view, the city is now liable because of the development that they've done.

[11:40:29 AM]

And they have a liability, and they have a responsibility, maybe, to either mitigate the problem or even buy out properties, because maybe the city created the flood problem, or made it worse. So that's where I'd like this technical conversation to go, if there's any way possible. Because if it's just a thing of I've got -- big trouble.

>> Mayor Adler: Ms. Troxclair.

>> Troxclair: I am really concerned about the families in Williamson creek who have been flooded and who have been waiting for this buyout, but I am also very impacted by councilmember Gallo's questions and statements about who we're buying out. I'm really concerned that we have so much need. We have such severe flooding, especially in light of the floods in the past couple weeks. And we have so many families that need homes -- that need help, and we are being put in a position today of what sounds like voting on a huge amount of money for people -- we don't know if the homes have even been flooded or not. So, to councilmember kitchen's point, can we get that information? Can we make sure that the people who have the most severe needs are being served first? I don't know. I mean, I don't know where to go with this item now, because we're being put in a really difficult position.

>> Could we -- oh.

>> Mayor Adler: Okay. Ms. Kitchen, and then Ms. Pool.

>> Kitchen: My question would be, is it possible to do something along the lines of what councilmember troxclair is asking about, so that we -- that we -- what we pass is either limited to, or focused on, those who have experienced the flood? It seems like we could carve that out, could we not?

[11:42:30 AM]

Or we could pass it on second reading and get that information in time for third reading.

>> Most certainly. I want to take a step back and say the cases that we have before you, onion creek properties, Williamson creek properties, properties in Sharon cross, our staff has exhausted all the options, the engineering solutions, structural solutions, that we have that have proved to be not feasible to implement when compared to the strategy of the buyout. And so, the properties that you're seeing before you are the most at flood risk. Onion creek was our number-one prioritized area. Williamson creek was our number-two area for creek flood. The number 3 area is back in onion creek in the upper onion creek area along I-35, along the golf course community. Followed by number 4, shoal creek. And so, we're confident that we're bringing you forward the most at-risk properties, and it's evident with the storms that we've been hit with, those are the areas that are primarily flooding the most, is our top-priority areas. And so, we have a strategy to implement structural solutions where we can, but that -- over time, the structural solutions cost just as much of the 400 million that councilmember Zimmerman brought up, as well. So they're equally costly. And so, we definitely would benefit further discussion with the community in this, because there is passion out in the community. They know their areas, their neighbors. They have the most wisdom of flooding. And we'd like to hear from them.

>> Mayor Adler: Ms. Pool.

>> Pool: I think what I'd like to do is go ahead and move this item, because I don't think we have a

motion on the table yet.

[11:44:32 AM]

>> Mayor Adler: Not yet.

>> Pool: But what I would like to do is make some reference to the points that councilmember Gallo has made about people who purchase the homes after the floods. We don't know if they were aware of that, or if they have flood insurance. And I think that that information is really important to have when we get to item 44, when we talk about going forward with crafting policy where education in the community is going to be really important. And that will be on the city. And I think, also, folks who are marketing homes, to talk really clearly about flood plains and our policies on improving development in flood plains that affect properties that have been in place for years downstream, also will be a part of that conversation. So.

>> Mayor Adler: Is there a motion to -- on item number 21?

>> Pool: That's what I --

>> Mayor Adler: I know you did. But it was kind of --

>> Pool: So I will move --

>> Mayor Adler: So. Ms. Pool moves to approve item number 21. Is there a second to that? Ms. Tovo seconds that. Let's continue on our conversation here. I recognize Ms. Tovo next.

>> Tovo: Thanks. I wanted to speak to my second. And councilmember pool, I also wanted to clarify which option you were forwarding?

>> Pool: Option one.

>> Tovo: And I just -- you know, I appreciate all the comments. And I agree with the interest and the need to have policy discussions on this. And I appreciate being a cosponsor on today's resolution. I think the flood task -- flood mitigation task force is going to help us really think through some of the challenging issues in our conversations around these particular buyouts, have also, I think, highlighted the need for particular areas of policy discussion. The properties that didn't necessarily flood in this last flood are in high-flood risk areas, and that they have exhausted the other opportunities and solutions.

[11:46:42 AM]

And I think back to onion creek. We knew there were properties at flood risk. Our mayor, our city management, our staff, were working actively over the years to try to secure fund so that those properties could buy out. And it didn't happen soon enough, and we had really devastating results for those homeowners. So, I trust the staff. I know that they've spent a lot of time looking at what the most appropriate properties are. I know that you're aware of our financial limitations and you would not be forwarding to us recommendations for houses that were not the highest priority. I'm very comfortable moving forward on this today. And I think the families who are involved have a right to an expedient resolution here.

>> Mayor Adler: In any conversation we have, I would also like to address the issue of, if we're buying -- there are two reasons we would be buying properties in a flood plain area like this. One is to protect the people that live there and to enable them to move. The other reason we'd be buying those properties is to ensure that no one lives there. So, if a property is vacant or regardless of its condition, the other competing policy is to effectively take that property off, because if there's someone living in that property, they endanger other people. They endanger our public safety people that have to go get them. I don't know what the right answer is, but it's -- we need the task force, I agree. Because these issues are very complicated balancing issues. Mr. Zimmerman.

>> Zimmerman: Mr. Mayor, I'd like to be recognized to make an amendment to this ordinance part one,

at the very end, when it says an amount not to exceed 17,986,000, I would add for current property owners who purchased prior to the October 2013 floods.

>> Mayor Adler: An amendment has been made to limit this item number 21 to those properties currently owned by owners that owned the property prior to the October 2013 floods.

[11:48:56 AM]

Is there a second to that amendment?

>> Houston: Second.

>> Mayor Adler: Ms. Houston. Debate on the amendment? Ms. Houston, do you want to debate the amendment?

>> Houston: Yes, please. And I want you to know my heart goes out to the families who have come before us on several occasions regarding their concerns and their homes being flooded, and the trauma that they've experienced. And so I'm committed to the people who were in those homes in 2013. Some were flooded in 1988 -- 98, but that's not what the prior council talked about. They were talking about the 2013 flood. And that's the money that we're talking about today. And so I'm committed to that. I'm not committed to people who moved in after that flooding took place, because I'm not a realtor, but I think that the real estate agents have to disclose that it is in a flood plain, and flooding has occurred over the past years. So my position is that, perhaps, they went there with their eyes already opened and didn't think it was going to happen to them. Sometimes we do things thinking it won't happen in my lifetime. So if we could exclude that -- which I think councilmember Zimmerman just did, then I'm willing to support it for those people who were there in those properties in 2013. Excluding the eight.

>> Mayor Adler: Mr. Renteria.

>> Renteria: I walked a part of that Williamson creek. And I've seen the damage that went on. But, also, I saw some of the areas that water just reached their boundary, their property line. And they said they weren't going to move. And then that's why it's voluntary. But I have a lot of concerns that some of these people are buying these homes -- that have bought these homes before -- after the flood.

[11:51:02 AM]

And I don't really know for sure, but if they're renting it back out to people, I'm really concerned about that. That's just something that I just can't see how someone would be willing to do that without at least informing these tenants that they're in risk. Their lives are in risk. So I'm going to be supporting the amendment, also.

>> Mayor Adler: Further conversation on the amendment itself? Ms. Gallo.

>> Gallo: A question. I can't remember whether you answered this or not, but, there was a question from someone on the dais about these 63 homes, which of them had actually flooded, or how many of them had actually flooded in 2013? Because I think councilmember Houston's point that all of this conversation was because of the 2013 flood. So, did all of the 63 homes flood in --

>> I personally do not have knowledge of the information. It's available. We'd have to do an interview process with residents.

>> Mayor Adler: Ms. Tovo, and then Ms. Pool.

>> Tovo: Well, I have concerns about this amendment. And I don't know if the maker of the motion is going to accept it as friendly, anyway.

>> Mayor Adler: Whether she accepts it or not, it's on.

>> Tovo: It's what?

>> Mayor Adler: The amendment's on. In terms of whether she'll approve it or not, I understand. Sorry. I apologize.

>> Tovo: We're going to vote it up or done? Okay. I'd like the staff to comment on this, but I have concerns about this amendment. Because if our intent is to get people out of harm's way, we're not going to achieve that if we have some people who don't have an option of being -- having their property purchased. I'm not sure what the option is for them. There aren't many people in this city who can afford to leave their home behind. So, I wonder if our staff could comment on this particular -- what the impact of this particular policy is, and whether within those 63 there could be people who have purchased their home since.

[11:53:16 AM]

And if so, what your rationale would be for including those within this proposal.

>> Okay. Going back to the previous council's decision, they had every intent that all 63 properties at risk would be bought out. Afterwards, there was public outcry from some residents that did not want to be part of the buyout, or did not want to receive an offer. And so that led to the opt-out option that the previous council voted on. And so, this is a voluntary program. Not everyone will choose to participate or even receive a buyout. So, that will create, you know, what in our industry we call the checkerboard pattern of removal of properties in certain locations, but others will be remaining. Other time, citizens -- their minds change. Another flood event, or their circumstances, they need to retire and move somewhere else and downsize. Again, they could sell the property, but other communities are being creative and have an orphan buyout program, and come up with the funding as it's available to pick up these orphan buyouts at a future date. So, there's all kinds of strategies that we could deal with it. But, you know, the property rights issue, if somebody wants to say --

>> Tovo: I'm sorry, maybe I wasn't clear enough. What I want to talk about is the amendment that would not allow for a buyout of a purchase that was -- of a property that was purchased after the flooding. And, you know, I'm thinking about the various scenarios that could arise of a property where an owner may have passed and their heirs inherit it, and one of them has to purchase it from the estate. Divorces where, you know, there may have been a transaction. So, there could be all kinds of situations within here, but what I guess I'm really asking is, what is the impact of not offering to purchase a property that -- where there may be a homeowner that really wants to get -- to leave -- that purchased the property after the flooding?

[11:55:32 AM]

>> What I've seen in the many years I've been doing buyout programs is that it tends to become a tenant, usually, if an owner has to sell, we don't know if these homes, if the owners ended up moving out and sold it for anything they could get just to get out after it flooded. So, it may have become a renter-occupied home now. But that's what we see after a home has been flooded. That happened along pleasant valley in onion creek. The owners moved out. When we got to them for buyouts, it was mostly tenants that were living there. So that's what you see. Homeowners do whatever they can to get out of the area. Then we're left with renters who may or may not be aware.

>> Tovo: Yeah. Thanks. That was one of the other scenarios that had arisen in my mind, but I forgot to mention. I appreciate you mentioning that. I think there are protections for buyers who are purchasing houses, but as you mentioned, renters may or may not be aware, as the case may be. If our intent is to remove people from harm's way, I don't think we're succeeding in that with this amendment. What we're doing is putting renters who may be very unaware of the situation in harm's way.

>> Mayor.

>> Mayor Adler: Ms. Houston. I'm sorry, Ms. Pool, and then Ms. Houston you're right.

>> Houston: He's getting hit. Whiplash.

[Laughter]

>> Pool: It sounds like it's a timing issue here we're looking at because we LAN to have a it was if we -- plan to have a it was if we pass it to take up these specific issues and resolve them. Can I ask staff, what happens to the homes after the buyouts occur and people leave?

>> Councilmember, what happens after the homes -- we board them up or -- until we can demolish them but all the homes are demolished.

[11:57:33 AM]

>> Pool: Okay.

>> We also check for asbestos and environmental issues.

>> Pool: Okay, good. Because I think some of the items that Mr. Hirsch had mentioned in his remarks I really would like to see, for example, the one opportunity for the buyout and maybe it's -- well, I'll leave that for a conversation on the other item. But I think today for this one, I will not vote for the amendment but I will vote for the option one, the motion that I had made originally.

>> Mayor Adler: Ms. Houston.

>> Houston: Thank you, mayor. I want to thank the staff for their due diligence in this. I was prepared to vote on the the -- so now I'm not willing to vote on it, I'm back to not voting at all and putting it off until we have additional time to get some answers to the questions. There's so many areas in this city that are threatened by flood, and so once we make a precedent here by buying out homes that were entered into a legal agreement after the 2013 flood, then everybody has -- to me has an opportunity to come back and make that same claim on something involving -- waller creek. What we're going to say to the public. I don't know how -- I guess in the process, when y'all go and meet each other, you meet with the individual occupants. You find out this information. Is there some way that we have that information up front to be able to determine whether or not these are leased properties and the owner is not there or, you know, all the scenarios that anybody can come up with.

[11:59:37 AM]

What are the actual issues for the people who live there on those properties?

>> Typically, councilmember, once council authorizes us to move forward, we do an in depth questionnaire where we find out a lot of information about the individual families' health issues, their financial status, whether they're renting or owning, a lot of information. But we usually don't go out and -- property owners usually don't share a lot of information. If we go out there and say I'm from the city and we just want to know this in case we want to do a buyout, typically we need to say you're part of a buyout and we need to get this information to make you eligible for the buyout. So there's a little nuance there as far as people trusting why should I give you detailed information about my life.

>> Houston: But it's a person that's going to have to make a decision in just a minute, it's hard for me to do that.

>> I do understand that and we would be willing to go out there.

>> Houston: Thank you.

>> Mayor Adler: I'm going to make a further amendment to the amendment that was made. And that's to limit this initial buyout not only to those properties that were owned as of the date, but also those properties that received actual flooding in that storm. And then -- it's been seconded. And I would further add that I'm not precluding the buyout or the recovery for both of those classes of people because I have the continuing concern that we're leaving a situation that will be dangerous to our first responders that may have to go out. I think we're caught in a time issue here where we want to move forward certainly as to those people in this Williamson creek area that were the victims of flooding that

owned their homes on that day -- on those days, and I don't want to lose this opportunity to be able to let them move forward in the program.

[12:01:39 PM]

So I want those people to move forward and then I want staff to come back and tell us, as you're moving forward with those, come back and tell us who was not in that tranche, who got excluded by those two things. And then either come back to us or come to the it was that's -- to task force that's going to be meeting so as the policy discussions as to whether those are also going to be purchased out and so what degree can be handled. I think by making this amendment to the amendment it will allow us to move forward at least with those that -- risk that's present that we would want to move forward. Further conversation on the amendment to the amendment? Mr. Casar.

>> Casar: Mr. Mayor, I understand you are -- this amendment to the amendment, with the amendment won't preclude us from doing buyouts in the future but just hearing from staff that many of the -- these homes that are in that area are indeed rental and that there are people living there in many of these homes who are renting and the house may have been purchased after the flood or it may not have even flooded in the original flood but it is still -- they're telling us, in the highest-risk area for loss of life. And so if we're going to be moving forward, I would -- I will be voting against the amendment and the amendment with the amendment because of the real risk that, you know, our staff is telling us this is one of the most dangerous areas of town and that some of the house that's were purchased afterwards or that may not have been flood ready rental houses so people are still living there. So that's my -- that's my reasoning. I understand that we could go and do that later, but it seems to me the right thing for my conscious to do now.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I do support your amendment to do a little more research to find out who is actually flooded.

[12:03:42 PM]

That shouldn't take too long. There has been I think an unintended consequence created by what's happened, and what we've created here, I think unwittingly is we now have kind of a predatory market where an investor can go into a flooded area, go to a homeowner, say, hey, you've got flooding around here, why don't you unload your house because of all the uncertainty, danger, property owner says, sure, I'll sell it. So the investor is going to rent the home, not live in it because the demand in this city is so extreme, as you know, people are desperate for someplace to live so they'll sign a disclaimer, move into the house they know has been flooded. The person who bought the house is making big fat rents, and in the worst case, if there's a flood, it's the renter's problem, not his. He's got another bonanza ahead of him, maybe he can get bought out and get \$150,000 on his buyout about I think we're unwittingly potentially creating a problem and -- proposition to get relief to the people who have lived through this miserable experience and get those people taken care of and then we're going to have more deliberations and debates on the policy, clearly.

>> Mayor Adler: I could present an alternate view of the universe, where somebody has a home that's flooded, is pettified at remaining in that location and does everything they can to be able to move them and their families out of harm's way. Which is why even though I proposed this amendment to the amendment, I would really want the staff to come back very quickly to us with respect to anyone who doesn't make it past that filter. So that we might be able to add them quickly to the list of people whose homes are being acquired so that we can get them out of harm's way and get our first responders out of that situation.

[12:05:54 PM]

So I'm not -- my intent of the amendment to the amendment was to ensure that it passed at least to some people and to make sure that if there is someone there who is abusing the system, that they get caught. But I would really want staff to come back quickly, as you now do your review to figure out who is who, as you ask people now about who qualifies, so that we can add people to that group if they're warranted. Ms. Pool and then Ms. Gallo.

>> Pool: Just real quick, so that -- to reduce the level of confusion in my mind, could you quickly tell us, on the amendment, which was option -- or the motion which was option one that I put forward, how many homes would have been bought out? Then the amendment that Mr. Zimmerman put on reduced that number to X, and then I don't know which way the number went with the amendment to the amendment from -- so there would be three. I'd like to know which way that [indiscernible]

>> If you could review the amendment to the amendment, I can tell you.

>> Mayor Adler: That we would be doing people's homes who actually were living there or owned that property as of the flood and whose homes were actually flooded.

>> Are you talking about the -- just the October flood, or are you talking about the floods since 1998 specifically?

>> Zimmerman: [Off mic]

>> Mayor Adler: I think it would be at least the October '13 flood, which would pick up everybody who was there in '98. So it would be as of the October date because it would pick up everybody from '98 that was still there.

>> I think that roughly leaves about eight to ten properties.

[12:07:56 PM]

I'd have to go ahead and verify. And that's just based on what T cad is showing on tcad when they bought their property. We haven't pulled the title yet to verify, but we are in the process of trying to do that. So I would say eight to ten to --

>> Pool: So for clarity, give us, if you could, the eight to ten number is more or fewer than the amendment that Mr. Zimmerman put on, and how does that reflect the number from the first motion?

>> Councilmember, what we don't know until we really investigate further is how many actually flooded in the October flood. Because we -- so far we have a light on who called in, and it was self-reported. And so now we're going to have to go do some boots on the ground investigation. So we don't have any idea as far as that. The only thing I have as a clear picture right now is how many homeowners would definitely be excluded because of when they purchased it.

>> Pool: And we've started with a universe of 63 properties. Is that correct.

>> Yes, ma'am, 66.

>> Pool: Okay so minus whatever the number was in Mr. Zimmerman's amendment and then minus another -- or plus another eight or ten in the mayor's?

>> Right.

>> Pool: Which, a minus or a plus? It was fewer?

>> I would say that there could potentially be a few more that may not have flooded if you're talking about the structures actually flooding. But I'd have to have watershed do that, answer that. But all I can speak to right now is eight to ten. I really don't know.

>> Pool: Okay. All right. Thanks.

>> Mayor Adler: Ms. Gallo.

>> Gallo: I just want to make sure that I understand your amendment, and I appreciate you doing that.

So your amendment would be saying that it would be limited to the homes that had actually structurally flooded in the 2013 flood?

[12:10:05 PM]

>> Mayor Adler: Where the residents had flooded. Where the --

>> Gallo: The structure, the home? Okay.

>> Mayor Adler: In other words, people who --

>> Gallo: Not just came up to the backyard.

>> Mayor Adler: In other words it put them in danger.

>> Zimmerman: Water covering the floor, would that be okay? Water covered your --

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: I don't think we need to prescribe, you know, whether it came up over the door frame or whether it damaged the sidewalk leading into the yard. I mean, I think that we can trust our staff to make that determination. And I would prefer to because there's so many different circumstances, I wouldn't want to prescribe from the dais exactly what we meant by flooding the structure.

>> But we're talking about the structure flooding? I mean, the reason -- no. The reason I'm saying that is that a flood can come up to somebody's fence line and not affect the home at all. What we're concerned about and I think this first group are the people whose homes were actually flooded to the point of damaging the home.

>> Mayor Adler: What I intended by that was a qualitative issue, which where there was actual flooding that presented risk to the inhabitants of the property.

>> Flooded risk, okay.

>> Mayor Adler: Yes. Where the flooding -- where there was flooding such that presented a risk to the inhabitants. Flooding on the property established. So not the generalized risk in the area but there was something about that property where there was risk. That's what I intended. Ms. Tovo.

>> Tovo: I've already indicated my disposition to the first part of the amendment, but I guess I would just ask our staff or maybe the maker of the amendment to the amendment, how long -- what will be the evidence that someone can offer you at this point that their home flooded and if they're familiar with this conversation, they'll know that if their home did not flood, they're not going to be eligible within this buyout.

[12:12:10 PM]

So I guess I raise that as a question that you may or may not want to respond to here. But I guess I would also just ask, what the next step is? So we've got an amendment that is excluding some of the homes within here if they weren't purchased before the flood, and then the additional amendment was to exclude homes that did not actually flood. And I think I understood that the intent is from this first round of purchases, but if these amendments passed, I'd like to offer another one that would offer a mechanism for those coming back for review. It sounded like that was your intent but there's nothing necessarily that would make that happen. And I --

>> Mayor Adler: Yes. >>: I don't want to make an amendment to an amendment to an amendment.

>> Mayor Adler: Got you. I'll support -- that was my intent so I'll support you doing that to make it clear. Depending on the disposition of this first item. Any further discussion on this? There's an amendment to the amendment, which adds the criteria of property where there's flooding of the property such as present risk.

>> Mayor, if I could I'd like to get just a very specific definition of flooding because we have no flooding, we have flooding of a property, which could be considered yard flooding -- we'd really appreciate

some level of clarity.

>> Mayor Adler: Flooding in the general area is not it, but I'm not going to preclude your staff analysis because there could be flooding of the home if it was surrounded by water where people couldn't get out or couldn't get in. In other words, that would present such risk that you, in your judgment, believe it -- that particular property needs to be acquired. But it seems to me it would certainly include that universe of properties where there was actual flooding in the residence.

[12:14:12 PM]

So there's a certain amount of judgment that you're going to be asked and you'll be asked probably to explain that later on, but we're going to leave that you measure of discretion. Any further discussion on the amendment to the amendment? Those in favor of the amendment to the amendment, please raise your hand. Which is kitchen, Gallo, Adler, Zimmerman, Renteria, Houston, and troxclair. Those opposed? Tovo, pool, and Casar, Garza off the dais and Casar. Now we're on to the amendment as amended, which would be -- would include not only the amendment that I added but also the -- so the amendment to the amendment now contains both elements. So it's only those properties that were owned or rented as of the October flooding and also present that risk of flooding. Any further debate on that? Mr. Casar.

>> Casar: So this is not our final vote. Then if I had a separate category of amendment, we can take that up later?

>> Mayor Adler: Yes.

>> Casar: Thank you.

>> Mayor Adler: We know that mayor pro tem does. Further discussion on the amendment as amended? Ms. Troxclair.

>> Troxclair: Can you just state the amendment one more time because I think just now you said that our risk at flooding and we -- will you just state it one more time for clarity?

>> Mayor Adler: Yes, it's limiting the immediate buyouts to those properties that were owned or rented as of the October flooding by whoever owns it or is renting it now. And it also limits it to those folks where there is some in the flooding that occurred -- that there was such flooding that occurred at that time that presented risk to the inhabitant of the property.

[12:16:26 PM]

More than just the generalized flooding in the area. That's the amendment as amended. No further debate. Those in favor of the amendment as amended, please raise your hand. Those opposed? The vote is the same as the last one. Ms. Tovo, do you want to --

>> Tovo: Yes. I'd like to add an amendment that the houses among those 63 that would be excluded by the amendments we just passed return in some form or fashion for consideration.

>> Mayor Adler: Is there a second to that.

>> Zimmerman: As a point of order, it sounds like a motion to reconsider. How could that be different.

>> Mayor Adler: I don't think what she's saying, when you go through the analysis and you come up with those that are excluded please come back to the council and tell us, the council -- it would be both the council as well as the task force should that be created here momentarily, let us both know.

>> Tovo: Yes, I'm happy to include the task force in that if it doesn't slow it down. I don't want to wait for the task force to get up and running. I'd request it come back as soon as most of the information, if not all of it is available. But --

>> Mayor Adler: I don't think that has to come back all at once as you're doing your information, as you get that information, you can bring it back to the council. So there's been a motion just to get that information back. The intent, I think, Mr. Zimmerman, is to get that information back. If there are ones

that should be included in the group so that we can quickly augment the acquisition was to include that.

>> Pool: Mayor, just for clarity --

>> Mayor Adler: What?

>> Pool: We're on my motion, my original motion, right?

>> Mayor Adler: We're on your --

>> Zimmerman: No. She made a motion.

>> Mayor Adler: We're on your original motion. An amendment to --

>> Pool: Eye I'd be happy to take that as a friendly amendment to my motion.

>> Mayor Adler: There's a second.

[12:18:27 PM]

Ms. Pool seconds. Is there any objection to that.

>> Zimmerman: Point of inquiry, maybe this is to staff. So I think I understand the motive, but wouldn't this bring us back to the potential 1550 homes in the 25-year floodplain? I know there's a group of approximately 63 we're kind of focusing on, but how does that -- how does this amendment avoid potentially pulling in homes among 1500 others?

>> Mayor, if I may, I did say -- my language did say among the 63.

>> Zimmerman: But I'm not certain we know exactly what the 63 was. There's some --

>> Mayor Adler: Do we know?

>> Zimmerman: Maybe you can help me on that. I may not be opposed to this at all. I'm just trying to understand.

>> Council, in your backup you have the 63 homes in the buyout so it is very specific.

>> Zimmerman: This map right here?

>> Yes, the highlighted. Those are the homes.

>> Zimmerman: Okay, I understand. Thank you.

>> Gallo: I appreciate, once again, the speakers that came and brought items they feel we need to consider. How long would it take your department to come back to the council with a policy on buyouts for city-wide? And I know that would be complicated, there's different situations, houses that have flooded, houses that haven't, houses in the 25-year floodplain, houses in the 25-year floodplain at risk. I mean it's multifaceted that we are separately looking for a policy that will help us make these decisions fair and more equitable to everyone.

>> Council, we have a framework for a policy, and as we brought on Tuesday and so, basically, where we're at is just needing some council direction on which way they want to go. So that's what we've been trying to do in the last couple work sessions, is to present information and to answer council's questions and to frame -- get -- frame a policy and then get some direction from council so that we can go in and complete the policy.

[12:20:42 PM]

>> Mr. Mayor.

>> Gallo: I was going to say thank you, and our office will work with you on trying to get that moving forward because I think it would be very helpful to all of us.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: I would also -- would I just say with regard to a policy, I will be reluctant to vote for a policy before we give the flood task force a chance to weigh in. We've got a really tight time frame proposed for the task force to come back by April of next year. So while I don't want to delay buyouts if we're talking about buyouts for -- if we're talking about a policy for buyouts for future concerns and we're not

responding to a specific flood event, then I would like to take the time to really understand from the community because I think our decisions with regard to spending the type of money that we'd be talking about with a buyout really need to be discussed in the context of the whole picture, which includes flood mitigation, as well as buyout, for a city-wide perspective. So, you know, that's just my perspective. I would really want to provide that opportunity.

>> Mayor Adler: Further discussion on the amendment proposed by the mayor pro tem, which I think was seconded by Ms. Pool. Ms. Troxclair.

>> Troxclair: I hope that when you return with the information you can also include a really detailed explanation for properties who were purchased after 2013, October 2013, and have not been -- have not actually experienced flooding but are at risk for floods, which is the group of properties that you should be coming back to us with the report on. I need -- I would need to have a really clear understanding as to why we would prioritize a buyout for a home that has not actually flooded over other homes in the Austin area that have experienced repeated flooding.

[12:22:48 PM]

So if you could -- I know that you're telling us that you're -- your calculations or evaluations are saying these homes are at the highest risk but I'm still not quite understanding how homes that have not flood ready at higher risk than homes that have experienced repeated flooding. So if you can help us -- help me understand that better in the report that you bring back to us, I would appreciate it.

>> Perfect.

>> Troxclair: Okay.

>> Mayor Adler: Any further discussion on the amendment? Coming back, hearing none, those in favor of the mayor pro tem's amendment, please raise your hand. Those opposed. Unanimous on the dais, Garza off. Any further discussion of Ms. Pool's motion? Mr. Casar.

>> Casar: Mr. Mayor, I'd like to make an amendment that we -- to the extent permitted by law, we waive the eligibility requirements in 49cfr -- section 24-point.

>> Mayor Adler: It's been moved that we don't check immigration status to the extent it's allowed by law for possible recipients of the compensation. Is there a second? Seconded by Ms. Houston. Any discussion?

>> Casar: Mr. Mayor -- sorry,.

>> Mayor Adler: Sorry, Mr. Casar.

>> Zimmerman: Point of information, he to explain the law is, somebody from legal to help explain that.

>> Casar: Mr. Mayor, can I just lay out --

>> Mayor Adler: Yes.

>> Casar: Sorry. I'm going to lay out my understanding of it briefly, and then perhaps Mr. Zimmerman can ask questions after that.

>> Mayor Adler: Yes.

>> Casar: My understanding from the presentation was that we are mirroring the federal buyout regulations regulations and policies, which I think on the whole makes a lot of sense as we do a city buyout, but of course there are differences in the values set forth by the federal government versus this local body. And I and I think many others on this dais believe, regardless of one's immigration status, they have an equal right to live safely and to not be in Danker and danger and you are no less of a person based on the status granted to you by the federal government.

[12:25:04 PM]

So in this case if somebody is eligible to be taken out of harm's way I consider them an equal person,

equally deserving of that right, especially if it's gridlocked in federal government that has taken that right away and -- tempt attempted to take that right away in two places and I don't think we should mirror that mistake.

>> And just as a point of clarification, on that specific provision of the federal law, it's -- it requires a certification of non-foreign status, that the person is eligible -- is lawfully present in the U.S. And then that provision also specifically excludes relocation benefits for persons not lawfully present in the U.S. So what councilmember Casar's motion would do would be, to the extent permitted by law, and we'll explore whether or not we can actually do that, that it would waive those requirements in the uniform relocation act.

>> Zimmerman: I'm sorry. Could you slow down and repeat that for me.

>> Sorry, I apologize. Sorry. 49cfr24.208 has two components to it. The first component is that the municipal is required to get a certification that the person is lawfully present in the U.S. The second part is to the extent that there is a certification that indicates that the person is not lawfully present in the U.S., those persons are not eligible for relocation benefits, specifically in the uniform relocation act. Other members of the household may be, but not specifically those persons.

>> Zimmerman: But so it sounds like, yeah, it is asking for an exception or an exemption because the law is asking for -- to do that.

>> Right. Specifically, there are other provisions of federal law thatly require a -- affidavit of non-foreign status.

[12:27:08 PM]

And so we would still have to get -- as required under separate federal laws for transfer of real estate, but this is specifically within the uniform relocation act. And just to sort of back up and give a broad discussion, this is a city policy using city funds. So we have more flexibility. We're not obligated to follow the uniform relocation act completely. But we are limited in the extent that we have a demolition program and the cap is the maximum amount authorized under the uniform relocation act so we would explore whether or not this eligibility requirement specifically speaks to the maximum authorized or is just a separate eligibility requirement and then also we -- the law department would explore whether or not this is in conflict with any other federal law.

>> Mayor Adler: To the degree it was in conflict you couldn't endorse it, but to the degree there was an opportunity -- if -- you would do this only to the extent that it was not in disregard or in violation of federal law?

>> Absolutely.

>> Mayor Adler: Okay.

>> Mayor Adler: Further conversation on this?

>> Gallo: I kind of got confused in the middle of that somewhere. So with councilmember Casar's amendment, we would or would not be paying relocation costs for people who were here illegally?

>> We would to the extent permitted by law only.

>> Gallo: Okay.

>> If possible we would.

>> Gallo: We would be paying -- the city would be paying money -- taxpayer dollars to relocate people that were not here legally? Is that what I'm hearing?

>> That is the motion that's on the table.

>> Gallo: And then you add to the extent possible, what does that mean?

>> Because this issue came up today and there's some further things we would like -- to explore that further.

[12:29:13 PM]

>> Gallo: Okay. Thank you.

>> Mayor Adler: Further debate?

>> Troxclair: -- Voting on something when we don't know whether or not we're violating federal law. Understand it came up today and I understand councilmember Casar's interest in the safety for everyone who is at risk for flooding but I feel like we need more information and need to understand whether or not we're doing -- we're voting on something that may or may not be in violation of federal law.

>> Mayor Adler: I'm comfortable voting for it because by its very words the resolution, as I understand it, says that we will not do anything violates federal law. We would only apply it in instances where it didn't, and I see this similar to the fact that, you know, emergency rooms will treat people who are hurt in our community without regard to that status as well. And I see this as a kind of emergency situation. So I would offer in this community that protection to people who are living here, the same way we do other kinds of protections. Further debate on the amendment? All those in favor of Mr. Casar's amendment please raise your hand. Those opposed? Those voting opposed are Gallo, Zimmerman, and troxclair. The others voting aye on the main motion as offered by Ms. Pool. Any further conversation?

>> Casar: Mr. Mayor.

>> Mayor Adler: Yes.

>> Casar: I know people are ready to get to citizens communications soon be so I'll ask the questions quickly and I think they're for Ms. Reiser, if you can help me Lorraine. Back to Mr. Hirsch's questions possibly taking care of relocation benefits even if the landlord did not want to, what is that?

[12:31:19 PM]

Do we have it calculated out what the average relocation benefit would be for a tenant if a landlord chose to participate in the program?

>> It right now is up to \$7,200. There's some small circumstances would it could be more, but for the most part most tenants received up to \$7,200 plus moving expenses.

>> Casar: And as we stated before we don't know how many of these units are owner occupied versus tenant occupied so it's a little tricky to know how many tenants there would be.

>> That's right.

>> Casar: Are have we considered any regulations or possible laws so that landlords have to inform tenants if they're moving into an area that is -- in whatever highest risk, highest danger Zones?

>> What we're wanting to do is have a conversation with trek and some other places where people normally would go to list information. The problem is it would take, you know, more action to do it for somebody who justifies in the paper and then how do you enforce that or in a green sheet or just puts a sign out in front of their house?

>> Casar: Understood. You know, I have -- I do have a concern that if -- and it sounds like, councilmember Zimmerman and others share the concerns, that landlords can choose not to buyout and keep moving tenants into an area that's dangerous so what I would like, and I don't know if this has to be in the form of a motion or if everybody can agree that we hear back, that if certain landlords do not choose to participate in this program, that we get a report back rear quickly so that we can decide what sort of action we might want to take to see if we want to -- it would be possible once we find out whether -- who buys outs, who doesn't, if there are tenants that are still remaining in the area that we consider offering relocation benefits for a very short period of maybe two or three months, you can take your relocation benefits these next two or three months, is that an action that council could take?

[12:33:25 PM]

>> And we can work on that. Then the other two we have potentially is seeing if the property will qualify under eminent domain and keep the chance of any tenants in the future from moving into the property.

>> Casar: Okay. Thank you.

>> Mayor Adler: Further discussion on the main motion?

>> Gallo: I'm sorry. I just have so many questions here. And I know your Numbers are probably going to be based on the 63 homes because --

>> Yes.

>> Gallo: And we've dropped it from that. Could you give us, and I always ask the fiscal impact questions, could you please tell me the difference in cost between option 1 and option 2. I know the option is made with option 1.

>> I don't have exact Numbers but what I can tell you -- but this is Numbers I came up with before I knew that you were going to exclude some homes. So this is just the whole buyout is about 44% of the homeowners looking at the property values in the history of looking at mls, it looked like 44% would receive no or very little of the relocation benefits. 10% would receive the housing of last resort and about 46% would be within the \$31,000 cap. So roughly 10% of the owners, and that's just based on Ted and based on tcad and what was on the market when I looked a few days ago. Approximately 10% of the people would not be able to move without having housing of last resort.

>> Gallo: Can you translate that into dollars? So what would be the dollar difference between option 1, allowing the full relocation following the uniform relocation act and option 2, the housing of last resort.

>> I would needing to calculate that. I'm not that good I can -- I didn't calculate all those scenarios.

[12:35:26 PM]

>> Gallo: Does the just under \$18 million amount that was planned for all 63 include option one? Is that based on option 1.

>> Yes, ma'am.

>> Gallo: Okay, thank you.

>> Mayor Adler: Further conversation on the main motion? Hearing none, those in favor of Ms. Pool's main motion number 21 as it was amended please raise your hand. Those opposed? Unanimous on the dais with Ms. Garza not here. All right. We're now going to go to citizen communication. After citizen communication, if it's okay with the dais, I'm going to take up item 57, which is the aisd matter. We have some people here from the school district, and they have a graduation this afternoon. So if we could take that up and handle that, then they can go about their graduation. Ms. Gallo and then Ms. Kitchen.

>> Gallo: Before staff leaves from the previous presentation, staff, I just wanted to say we voted several months ago to not allow a buyout on a property that was and we based that with my encouragement to not do buyouts until we had a policy that came from the department on city-wide buyouts. Given that we just voted to do a buyout without a buyout policy, I would like with the respectfulness of the dais to have you bring that back to us as quickly as possible so we can make a decision on that one also since we've just made a decision on another buyout. Thank you.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: I would just like to understand the plan for today. You know, I think it's important to break for lunch and dinner. That's my preference. It doesn't have to be a long time. If we don't break then we're forcing ourselves to miss things on the dais, and I just -- that may -- I may be the only one but I think it's important to do that.

[12:37:31 PM]

So I'd like to ask what our plan is in that regard if others agree.

>> Zimmerman: Mr. Mayor? I'd like to concur with that and suggest 30-minute breaks for both of what councilmember kitchen just mentioned. 30 minute breaks at the discretion of the council when we do them.

>> Mayor Adler: And I'm fine with doing that too. So long as it's 30 minutes and we actually do it. Ms. Tovo?

>> Tovo: Yeah, thank you. I want to explain that I -- we talked a little bit about this -- since we have one scheduled, I want to explain to the dais I had asked the mayor if he would allow that item to come up after citizens communication brothers we broke for executive session/lunch just so afford, as he explained, to afford the aisd staff who have been here the opportunity to participate in that discussion and then head off, but I would also like to be able to take a break as requested, just a little bit delayed.

>> Mayor Adler: So I would anticipate that we have something that's now set for time certain at 1:00. That's not going to happen at 1:00 because we're going to do citizen communication. That will get us close to 1:00. Then we're going to do the aisd matter and then we're going to break for lunch. And then we're going to come back and handle that matter so the time certain 1:00 obviously will be handled at some point after that. All right. We'll go ahead and proceed that way. We are now into citizen communication. Ally tabrizi.

>> Good afternoon. You have three minutes.

>> Thank you for your time. I have three minutes. I'll be brief. How do you get to the -- so good afternoon.

[12:39:37 PM]

I've been in Austin since '93, in -- and my attorney, terry, is helping me on that, giving me clues and stuff. I bought a piece of land on 4363 forest for \$55,000 in July 2013 and since then have been trying to get a permit on it. The city -- I paid over \$6,000 in city fees, and about \$30,000 overall and the meter is running. So I had a staff meeting in February and the first thing they asked me is what's the legal lot status. So terry and I went to the planning commission on March 5 and we've been seeking under section 25-4-two we meet all the fire conditions, that page is at the end of the presentation I gave you so it's -- requirement. Now, if you look at the next slide, this is where that lot is in the shade on farwest, 26 feet on farwest and dating planning commissions from 1965 to 1980s they have made different actions my lawyer has documented and researched, they configured that lot. They could have given that lot to any of the other lots, they could have made it common area. They didn't do that. They made that lot six times and they have a tax id on it for 35 years the city is collecting taxes on it. City once in a while calls me and says please move it and get rid of the weeds, which do I. Costs me 100 bucks each month. You have to have a sense of humor here. The city has a 24 feet drainage on farwest next to my lot. It dumps stormwater into my lot without easement, without legal right.

[12:41:38 PM]

I called the city last year and I said, guys, please do something about it. Silence. Okay? So I can pay taxes, my lot can be used as dumping ground for unlawful stormwater, I can cut the weeds but you can't do anything else with it. I am not an expert in city code, but it just doesn't seem right to me, okay? So this is a picture in January. Even we had half an inch of rain, before my meeting, this is not a recent picture. When -- with half inch of rain basically that stormwater causes erosion and runoff on my land. So what should we do? We have a reasonable investment back, the expectation that when you go buy a piece of land that's on a lot, has all the utilities and the drainage and the city is using that drainage regularly, that

you can build on it. So we simply ask you, please, to direct the staff to help us secure a building permit. We know this is a sensitive area. I care about the environment. My daughter doesn't let me throw anything out without recycling it or composting it. What I --

[buzzer sounding]

>> -- I'm asking is just --

>> Mayor Adler: You can finish your thought.

>> I'm just asking me to build a state of the art on three man made poles with drain tank, with solar, with water purification so the environment net result would be better than actually what it is today. And I'll be happy to answer any questions you have.

>> Mayor Adler: Anyone have any questions? Thank you, sir. Next speaker is Cecily cedilote. Cecily? Next speaker is Bo Delp, Bo, Delp.

[12:43:41 PM]

Next speaker is Devan wood. Speaker speaker is Felix Jiminez. Next speaker is Arianna Luna. Arianna Luna. Marilu fratubso. Next speaker is Matt Gonzalez. Matt Gonzalez. Next speaker is Jared lamb. Mr. Lamb.

>> Good afternoon, thank you for your time. Hopefully I can get five offer six seconds of those from the last speakers that didn't show up possibly. I've convinced -- condensed to three minutes here. Anyway, good afternoon, thank you for your time. I'm the vice president of product management for hei, proud native texan and Austin has been my home many years. My hope is to assist and improve Austin's green innovative spirit. Unfortunately Texas is ranked fifth worse as a state in informal per capita use. 75% is provided in nonrenewable forms. Hei not a -- current manufactures revolutionary products products. Roughly 40% of the energy demand placed on the grid is directly attributed to heating and cooling infrastructures. Roughly 75% of that 40% or 20 to 30% is wasted energy that could be eliminated by our products. This can be done with little or no capital investment or physical modifications it I commend Austin for initiating some of the more robust energy conservatives --over all the adoption of icc and iecc guidelines along with standards has been utilized in efforts to meet reduction goals for 2015 of 65 to 75% set back in 2007.

[12:45:56 PM]

Because of lighting improvements and national consumption rates dropped less than 10% over the last 15 years, I do not have access to empirical data for Austin consumption rates in comparison with national average or local set goals, however the trend didn't look good for Texas or nation. I will not get into the math or physics covering the types of energy transfer versus insulation protection that is provided, however, some -- representatives, there are no known available cost-effective products that address the two more important forms of energy transfer, the icc and iecc have currently made changes by updating requirements for emit tense and reflectance criteria in addition to our value, however, the standards are really low and are only required on certain roofing systems. Our company was purposely tested by a third-party astm doe in cec certified laboratory -- to get the icc to both certify our products and labels regulation on the same testing methods and standards utilized by the doe -- cec and as -- for us with the state and the -- because of the home rule here in Texas. That allows local authorities to set standards for energy. Hei meets all 2009, 2012, 2015 icc, iecc energy savings requirements and are both fold, cheaper, much better for --

[buzzer sounding]

>> Excuse me, almost done, promise. Much better for the environment and humans, again, are much cheaper, I lost my spot, I apologize, outperform, grossly outperform the multibillion dollar industry

standard products. These numerous additional fragmented regulatory barriers to entry are preventing us from entering the discussion on determining where minimum protection standards should be.

[12:48:02 PM]

I hope to assist in setting the example for the nation and world to follow. Thank you.

>> Tovo: Thank you so very much. Councilmember Houston.

>> Houston: If you could send that to us because with all the acronyms I'm sorry --

>> So sorry. There's a bunch of them I know.

>> Houston: I have no idea you what were talking about. If you could send that to all of us, we would appreciate it.

>> Appreciate it, ma'am.

>> Houston: With the acronyms spelled out.

>> Of course, yes.

>> Tovo: Sir, would you mind telling me what your name is again.

>> Jared lamb.

>> Tovo: Thank you very much.

>> Thank you.

>> Troxclair: In a nutshell -- I know, three minutes, I'm sorry.

>> Troxclair: Without the acronyms, what is your --

>> California energy commission department of energy are two -- astm commission that sets all the standards that the icc and iecc use as guidelines.

>> Troxclair: Okay. So what are you asking for in.

>> So what we really are hoping to get, we're looking to move our headquarters here do Austin, Texas, however we're only able to meet local codes in California, mainly la because we're a startup because of our energy savings statements by the astm. However, here in Texas because of the fragmented rules one local code guy to my left will tell me something and one to my right will tell me something else. If we either were to have a letterhead from the city itself stating that our astm, doe and cec regulations are either, a, equivalent to what they are already requiring or to have a pilot program or something done here locally to set a standard or obviously an example to be used in the community.

>> Troxclair: Okay. So you have a business that you are hoping to relocate to Austin or expand in Austin?

>> Yes, ma'am.

>> Troxclair: Okay.

>> We're currently located in California, yes, ma'am.

>> Troxclair: I would love to talk to you more about that but will you reach out to my staff and schedule a meeting so that they can help you?

>> Yes, ma'am, very much so. Appreciate it.

>> Tovo: Thank you so very much.

>> Thank you. Enjoy your lunch.

>> Tovo: Thank you.

[12:50:02 PM]

Our final speak -- speak ser Chris strand. Mr. Strand.

>> Well, that went pretty fast.

[Laughter]

>> Good afternoon, mayor, council. I'm Chris strand, owner of Stan's, hvac and energy conservation contractor. I started in business in 1978 as a 1-man shop and was instrumental in the development of

Austin energy's nationally acclaimed energy efficiency programs in the early '80s. These programs have deferred over 11 megawatts of peak to date. I've served on several energy efficiency task forces over the years and presently am a member of the low-income consumer advisory task force. I'm the only member that is in the private energy conservation retrofit business. This task force was given a contradictory mission. On the one hand it is tasked with adding conservation savings to Austin energy's generation plan. On the other it's faced with facts showing minimal savings from existing low-income programs. Here is the results of a survey of about 900 homes that was funded by a federal program in 2011. All received free weatherization and about one-third received free appliances, including central air conditioners. The data shows an average cost of about \$34,000 per home with a savings of less than \$5 per month. In a payback of around 59 years. These Numbers are sobering. Since free weatherization does not work, I ask for your support with programs that do and one that would achieve savings at a fraction of the cost, which in turn would give Austin energy the ability to positively impact signal more customers. This one program is odd bill financing.

[12:52:04 PM]

On bill financing allows efficiency loans to be put on monthly utility bills instead of paying for it up front. This could be combined with a rebate of around 20% to lower the monthly payment and incentivize participation instead of 100% what have we do now. The vast majority of low and moderate-income customers in Austin are renters, yet the vast majority of free weatherization participants are homeowners. How we impact the rental market? The landlord does not pay the utility disability the tenant does not want to invest in a building they do not own. On bill financing is the only viable option I see that works for renters that homeowners. On bill financing offers a great way to finance retrofits over a long period of time with minimal month payments. It can be structured so that the potential energy savings are greater than those payments. I've found 43 utilities in 17 states where on bill financing is available. These include some of the larger utilities in the country, such as coned and Seattle city light. I've studied some of these programs and been very impressed. I'm convinced we must change the direction authorized to spend our dollars fruitfully. There are a huge number of --

[buzzer sounding]

>> And they deserve programs that work. Thank you, Mr. Strand and thanks for your service on the chi. Councilmember kitchen has a question.

>> Kitchen: I just wanted to say that I'm -- thank you for bringing this forward and I think that your suggestions are very interesting and I'd love to work with you. We'll reach out to you. You can reach out to my office.

>> Gallo: Include us on that also. I really think that -- Greg also expressed a lot of concerns we get lots of calls from tenants who want to do something with weatherization and we're a little lacking in programs for that so it just -- I think this is a really good policy -- task force presentation that didn't include this, and I apologize because I think you were there.

[12:54:16 PM]

>> Right.

>> Gallo: To do it, but I would hope in future presentations by the task force that the information like this would be included in it because we --

>> It's been frustrating for me too.

>> Gallo: This is this is really important.

>> What do we want to do moving forward instead of what we've done in the.

>> Gallo: I really appreciate it. Thank you for being here.

>> Sure.

>> Casar: Thanks so much for coming again and for your commitment on these issues. You're a business owner and like Sarah Palin can see Russia from her house, I can see your business from my house.

[Laughter]

>> I heard your home flooded by the way.

>> Casar: Yeah, really unfortunate. So I will -- I would like councilmember kitchen and councilmember Gallo to touch base with my office on this issue because my staff has started working on it and we'll make sure to rope knew the conversation as well.

>> Thank you, council. Appreciate it.

>> Tovo: Thanks very much. Council because we were running a bit off-schedule I believe some of our speakers for citizens communications had stepped out. It's my understanding they're back so we will afford them the opportunity to speak as well. So for those of you who came in in the interim we're going to hear the citizens communication speakers, then take up item 57, we will then be going into executive session for, I expects about 45 minutes and then come back and do -- it's the mayor's discretion, but my guess is that we'll come back and do the 1:00 climate protection plan. So just as a time check for those of you who are here. So Ms. Cecily cedilote. Bo Delp. Next up will be Dr. Von wood. I don't see him. Felix Jiminez will be next then. After.

[12:56:20 PM]

>> Good afternoon, thank you all for allowing to us speak. We came back from another event in city hall, nancing a exciting new agreement with a developer to raise standards on their project in the construction industry, and so that will be coming up I'm sure soon. Today I wanted to use this opportunity to speak with you along with some of our members. It was two months ago today that city council signaled to the community that as a body it was willing and ready to engage in meaningful permit reform, in order to reduce backlog and create meaningful change for developers in order to continue to build in the right way. And they also signaled you, as a council, signaled that you would be willing to work with the community and stakeholders in that process as we move forward. It was also two months ago this week that workers defense project was before this council and asked for this council to consider creating an expedited permit review process that would reward responsible developers willing to raise standards for construction workers on their project. As you know, in this city, one in five construction workers report being seriously injured on the job. Many receive poverty-level wages, even when folks are receiving poverty-level wages construction workers often are not paid for the work that they have done. And oftentimes they are misclassified. That means they're having to pay their share of fica and social security. And so that is just not right. And so we need more ways to reward businesses who are willing to do the right thing right here in Austin, Texas. That's what our announcement today was about. You may have read about it in the chronicle. We need to do more as a community to reward those who want to do the right thing for construction workers.

[12:58:20 PM]

And so what we have proposed is to create a fast track that rewards responsible developers by granting access to an expedited permit review cycle process in exchange for providing living wages, osha 10 safety training, workers' compensation insurance coverage and local hiring for that expedited review. Now, that really just makes sense if you think about it. Developers who want to do something good get rewarded. Not everybody has to participate. They can wait in line. It also makes a lot of sense for our construction workers who desperately need the raising of standards in this city. So there's plenty to be worked out, and I am happy to tell you guys today that Rodney Gonzalez has reached out to our

organization and others and has said that he istology work with us on what -- willing to work with us on what this process will look like. He's a great guy, really good.

[Buzzer sounding]

>> I'm excited to work with you in the future and, Rodney, thank you very much.

>> Thank you. Dr. Von wood. Okay. Felix Jiminez.

>> Tovo: Welcome.

>> Thank you. I want to thank -- to permit -- letting me express my ideas and my -- in my language. Thank you.

[Speaking non-english language]

>> My name is Alejandro Guterrez and I'm a member of workers project.

>> [Speaking non-english language]

>> I've worked in construction for the last 20 years and have experienced dangerous working conditions.

[1:00:27 PM]

>> [Speaking non-english language]

>> So I suffered the loss of a friend and coworker at work.

>> [Speaking non-english language]

>> But for the region of a faulty safety system and his own intention to do a good job.

>> [Speaking non-english language]

>> But for a small careless mistake he lost his balance and his body fell from a height of 40 feet.

>> [Speaking non-english language]

>> This destroyed his head when it hit the concrete.

>> [Speaking non-english language]

>> When he died, he left behind a wife and two young children alone in our city.

>> [Speaking non-english language]

>> The urban development and the formation of landscape are just examples.

>> [Speaking non-english language]

>> Nevertheless -- built our urban infrastructures continue living in poverty.

>> [Speaking non-english language]

>> The economic success of the state of Texas is an example for all of our country.

>> [Speaking non-english language]

[1:02:30 PM]

>> But, unfortunately, we occupy a terrible place in statistics.

>> [Speaking non-english language]

>> Because we have the highest index of fatal accidents in construction.

>> [Speaking non-english language]

>> Workers in this city --

[buzzer sounding]

>> -- We are -- help -- work to build the economic success.

>> [Speaking non-english language]

>> But we know in order to achieve it, three elements are necessary.

>> [Speaking non-english language]

>> Capital markets and work.

>> [Speaking non-english language]

>> And workers defense projection we charter ourselves precisely with this, in taking care of the rights

and benefits of workers, especially those in construction.

>> [Speaking non-english language]

>> And this organization, we support the creation of judicial mechanisms or socioeconomic strategies that attract investment to the cities.

>> Tovo: I'll have to ask you, I apologize for interrupting but I need to ask you to conclude your remarks please.

>> Thank you. Okay. So I don't have no more time?

>> No.

>> Okay.

[Speaking non-english language]

>> We have some points that we wanted to ask for in a creation of fast tracks.

[1:04:31 PM]

>> [Speaking non-english language]

>> First providing workers with agreement to establish osha training.

>> [Speaking non-english language]

>> Comprehensive healthcare, dignified salary.

>> [Speaking non-english language]

>> And additionally respect for labor rights.

>> [Speaking non-english language]

>> And that you also allow workers defense project to monitor the compliance with these points in workplaces.

>> [Speaking non-english language]

>> And that K the council supports investors in complying with -- in a good manner and practice for the socioeconomic development of our communities.

>> Tovo: Thank you so very much. Sir, would you please make sure you give your name to the city clerk. I have to remind the remaining speakers, I apologize, but if our -- our council policy is if your name is not the one printed in our agenda, you will have to register for another citizens communications. We can't allow to you speak on today's citizens communications. Arianna Luna. Marilu fractubso. Then our last speaker will be Matt Gonzalez if he's still here.

>> H again you will have three minutes, please.

>> Thank you.

[Speaking non-english language]

>> Hello, my name is Marilu fractubso.

>> [Speaking non-english language]

>> I'm a member of workers defense project.

[1:06:31 PM]

>> [Speaking non-english language]

>> My experience in construction work is very long. Our employers and their employers.

>> [Speaking non-english language]

>> They have shown us that they can't ensure our own -- safety of our own life and those of our children.

>> [Speaking non-english language]

>> They are stealing our wages.

>> [Speaking non-english language]

>> And for this reason I am here.
>> [Speaking non-english language]
>> To support all construction workers.
>> [Speaking non-english language]
>> In order to ensure better working conditions.
>> [Speaking non-english language]
>> We need -- in work we need help from the city in order to ensure better working conditions.
>> [Speaking non-english language]
>> We, due to reward all of the developers that want to support us.
>> [Speaking non-english language]
>> They want to act fairly with construction workers.
>> Austin will never be a great city if wage continues and these unsafe working conditions.

[1:08:36 PM]

>> [Speaking non-english language]
>> -- Growing but on top of the lives of many workers.
>> [Speaking non-english language]
>> And the bills from all of the hospitals that are arriving from the falls for all of these workers.
>> [Speaking non-english language]
>> But for unsafe work conditions and workers, this is often the situation of all -- every day.
>> [Speaking non-english language]
>> And this increases our financial pressures and our cost of living.
>> [Speaking non-english language]
>> Thank you for your support. Thank you.
>> Tovo: Thank you so very much. And our last speaker is Matt Gonzalez. Mr. Gonzalez, you have three minutes.
>> Mayor pro tem, members of council, I would like to thank you for this opportunity to come before you and speak on this important issue. As you know, just a few months ago, this body expressed a need to address the concerns for the backlog in permitting. With the biggest boom in construction that central Texas has seen in decades it is important for Austin to value the men and women that help build this great city. Sadly, far too many people work full-time to still struggle and live in poverty. These people are victims of wage theft, payroll fraud, misclassification, subjected to working in unsafe and often deadly working conditions. These are not Austin values, and we must do better.

[1:10:39 PM]

I respectfully request this council to form a fast track permitting program, awarding developers who are good stewards of their projects to come to the first of the line. With having the opportunity to work together to address this problem with permitting while addressing the affordability and benefiting workers that need it most. By requiring responsible developers and contractors who benefit from the fast track system to provide a living wage, osha 10 safety training and workers' compensation insurance, we can build a better Austin. I also think that we -- if we favor developers that hire and train people from right here in Austin, that we would help foster family-supporting careers in the construction industry. Simply put, workers that help build this city should be able to afford living in this city and the amenities that go with it. To be noted, recently ACC has committed to such standards on their upcoming projects. Our workforce is not an expendable commodity. These are people that must be invested in if we want to address the growing economic divide and encourage affordability. As a construction worker

that comes from the field, I can attest to the pride and the security that comes from working for a responsible, fair employer. Higher productivity, less overturn, which means a better train of workforce and a heightened sense of job safety. All come as a result from implementing and enforcing such standards. If contractors are willing to provide these most basic things, meeting all the criteria, then they should be awarded this privilege.

[1:12:40 PM]

Let's give developers and the community the opportunity to do more and let's give the workers a fair shot at the Austin dream. Thank you.

[Applause]

>> Tovo: Thank you very much. Okay. We will turn now to item 57. This is to approve an ordinance creating a camera enforced civil offense for illegally passing a school bus. Council, you may remember that we did consider a resolution recently. This went to the public safety committee and we have an ordinance here before us. As the mayor mentioned earlier we do have some individuals from AISD here as resources and we have several registered speakers. We'll go to the speakers. Actually, just one speaker but he has nine minutes. Mr. Frank Blanch.

>> Casar: Councilmember.

>> Tovo: Yes.

>> Kitchen: Would be possible for the committee to lay out their approach first.

>> Tovo: Sure, that would be great. Who would like to do that in councilmember Zimmerman, I know you're chair.

>> Zimmerman: Did I. I voted against it so somebody else would probably be better to lay it out.

>> Tovo: I welcome a volunteer. We can certainly also ask just staff to do that. Who is the vice chair of public safety.

>> Casar: I'm the vice chair but I had to be absent that's why I left it up to my colleagues.

>> Tovo: Having sponsored the resolution I'd be happy to lay out, councilmember Pool, if you're prepared to talk about the committee action, that would be useful.

>> Pool: Right. I'll just mention that I see that Mr. Waxler is here, he came and presented to us. What this resolution does is simply create a civil offense for passing a stopped school bus and allows AISD to proceed with a program. They have put out -- they have an RFP and they'll be taking bids, I think they've taken bids, haven't yet chosen who they will hire for this effort but it would install cameras on the exterior of the buses in order to capture images of cars that may be passing by a stopped school bus.

[1:14:48 PM]

This goes to student safety and there is no effect on the city of Austin at all. There's no financial implications. We are not asked to do anything except for by ordinance create this civil offense on the books. I think there was one other conversation about who would be adjudicating any of the tickets that would be issued, and my understanding is that AISD will follow up and do that in house. I did ask one question that if this would be -- if these cases would eventually or at some point end up with the city of Austin in our municipal courts that we would revisit the agreement with them so there would -- so if there were any financial implications or docket issues with our municipal judges that we could then address that, but at this point -- at this phase of the process, this -- it's implying that we create the -- requesting that we create the civil offense and there are no fiscal implications. There was a concern raised about one of the vendors that had -- has proposed, made a proposal, made a bid on this, but we do not know if AISD -- which vendor AISD will pick, and that is completely within AISD's authority and purview, and the city of Austin doesn't have any roll in that matter. Mr. Waxler.

>> Houston: Mayor pro tem.

>> Tovo: Councilmember Houston.

>> Houston: Yes. Some of the issues that people who opposed it spoke to with the cost of adjudication and the cost of due process so due process was the one that they had a concern about.

>> Tovo: Thank you. Any other comments before we go to the speakers?

-- Speaker. Okay, Mr. Blanch, you have time donated to you by Slater Smartwood, and Mark Littlefield. Okay. Welcome, Mr. Blanch. You have nine minutes.

>> All right, now.

[1:16:50 PM]

>> Tovo: Unless Mr. Smartwood knowing speak as well. Are you donating your time? Okay.

>> How you doing, councilmembers. Mr. Frank Blanch, school bus safety manager for Dallas county schools. I want to be the one that stands between you and your lunch so I won't take the time, nine minutes. I didn't wear a vest today so take it easy on me. My background with school safety and stuff I retired as a sergeant major with the military police after 27 years of service so I know are safety and law enforcement altogether in a nutshell. At a May 26, 2015 Austin city council safety meeting there was a video played from a news agency that dated back to September 2014. When the program initially started, the school bus safety program, safety student program, it started in 2012 or 2013. The data that was taken from that, square root that was played in September -- the video played in September 2014 was from the initial stage of the program. Right now currently as the program with Dallas county schools, we are the fifth largest bus fleet in the U.S. Today transporting over 75,000 children. We have over 20 -- department, okay, internet department access stuff and one thing unique about Dallas county schools is we have our own public police department now, okay? Comes in play, provides school resource officers to neighboring schools and districts. One area we operate out of is Duncanville right now. We have 25 officers, all of them are Texas certified peace officers. Okay? We have a K9 department two for drug suppression dogs. To talk about the program, some things came up as inactive GPS. Since the GPS system has been implemented we use two different mapping systems now.

[1:18:50 PM]

The system is narrowed down to two to five seconds at the exact location of the violations. So there's no discrepancy on exactly where this incident happened, where you ran the bus at. The alarm comes affirmation it's initiated. One thing we do, we install 100% of the fleet. When I say 100%, your small buses, your fleet, internal and external camera systems, okay? It came up earlier I heard mentioned the question on adjudication process. You can go online, get a photo ID, photo pictures taken of the violation. You'll get it in the mail. You click on the website, you can see the video. Some people don't bother to look at the actual citation and they just say it's not me. That couldn't be my vehicle. Once you click on that website it will play a video for you that will show different angles of your vehicle passing the stop arm. Of the adjudication process, we have a reviewer looking at it prior to sending out nine notice, it creates an event and they say, okay, that is a violation. Once, again, it gets packaged, processed, goes to a certified peace officer. It's not required in the state of Texas. We use certified peace officers, law enforcement background. They will look at did and say if it's a violation or not. When you go before the adjudication process you can request to have the officer present. Our officers will show up for the process. Sometimes the violations get removed from the adjudication process. Some of the things that's not currently the registered owner or it's not the actual driver of the vehicle at the time of the violation. If it does, you can request that we use up in Dallas area, it goes to the municipality and goes to court for the judge. That same officer will show up for the trial hearing there too and they'll

make a decision. This is not a 100% you get the violation you pay a violation. We have about a 15% reduction rate in that.

[1:20:52 PM]

Overall and stuff -- our overall goal of the whole entire program is to issue zero citations. That means that people obey the law. We all know you have to get people's attention. Just like when you're driving down the road and you see a law enforcement -- slow down. What's the problem with these stop arms right now that we're going into and we're having issues with is technology too, people on cell phones, people go right through there. We've had kids injured. Some of you out here in Austin, I-35 on the roads you probably get Teed off because people are looking at their phone. We're dealing with lives of kids here. This program, our partnership with fms, they say what is the cost to the district? It's zero cost. Dallas county schools invested millions into this Pamela along with force multiplier solution. Dallas county school has the rights to the state of Texas, okay, as far as the program, the school safety program with the solution. No district, no schools is going to have any out-of-pocket cost leveled to them. We cover all costs. We cover 100% installation of your fleet, cover all maintenance and stuff of the camera and supply all the equipment. So that was one of the things that was brought up and stuff. I think it's a fair system that's out there. We need the system out there that draws people's attention because it's countless violators out there, continuing to run the school buses. Recently we had the death of two children in this area here from people not paying attention and running the stop arm with the bus safety. This concludes my briefing.

>> Tovo: We appreciate you coming down to share your experience with us. Thank you.

>> All right. Thank you.

>> Tovo: Council, any questions for Mr. Blanch? Okay.

>> Zimmerman: Thank you, Mr. Blanch.

[1:22:54 PM]

It was from, I guess, a local news station up in Dallas --

>> No, I wasn't, but I have seen that video already.

>> Zimmerman: You've seen it, yeah. One of the things they said was united -- I wasn't clear what time period they were talking about, but they were saying more and more people were coming in to challenge, you know, citations that they had been given and the dismissal rates up around 60 to 70%. Do you remember that part of the --

>> I do remember that part of the video, and that is not currently accurate information now. Like I said, the problem before is with the gps system, some things with the gps system. We're using two mapping systems now that narrows down two to five seconds, exact location. Right now I say approval, even with our officers, everything the officer sees is not 100% approval because it's the officer's decision. He's looking at it as law enforcement based. You have a divided medium law. Basically there's a small divided area, raised curb, the thereafter on the other side doesn't have to stop for the stop arm. A lot of people don't know that. Sometimes you have a split in between divided mediums, okay? The reviewer probably don't see there's a split. The officer will when they increase the map and they will Google Earth, it increase the map size of it and say there's a divided medium, not a violation there. Right now you're looking at 15 to 20% thing, not 60%.

>> Zimmerman: It sounds like there are some technical problems that have been resolved and now that number is down.

>> Exactly. The original report that was aired September 2014 was from the 2012, when the program started, and 2013, with the data collected from that. Just like with Microsoft, Microsoft come up with a

new operating program. Everybody grinds their teeth, oh, what's going to be here? Glitches are worked out. We're -- pretty much this system is 99.8% accuracy on pinpointing locations.

>> Zimmerman: You don't want to get me started on Microsoft windows 8.

>> No, no.

[1:24:54 PM]

>> Zimmerman: But to just -- I'm voting against this because you have a very easy sell here. I mean, everybody wants kids to be safe. Boy, that's easy. And if somebody like me comes in and votes against this camera program, you know, they're going to be mail pieces out, yeah, Zimmerman wants children to get hit in the street -- some experience to show that once these programs get put in place, they wind up turning into things about money. Because there's a lot of money involved here, right? There are millions of dollars involved in the technology, in the maintenance of the equipment, and also in the fines that come in. So, you know, I think it's too easy for a program like this to lose sight of what it -- sight what have it was there for. And it winds up being you shouldn't have gotten -- the ones you mention where had you have the technical problems, there's no telling how many people paid those fines they weren't obligated to pay because they don't have the time, patience or energy to fine them. People are being wrongfully find, convicted. I'm going to make a prediction this is going to go badly wrong within four to five years. That's why I'm voting against it.

>> One thing you're looking at we're talking Austin aids. Again, we're a vendor out there. You said costing money. Dallas county schools put up the millions of dollars. We're not requiring anyone else to pay. So far no district has paid zero amount. What's the cost to them? You get cameras installed. Also, another thing that we talk about these camera systems, also we have bus drivers, students on there, we deal with assault cases, we deal with stuff coming up. We don't have to worry about he said/she said. I'm a parent, I have three kids. They're all in college and grown now. But an incident happened, what better way than to go back to a video and say yea or nay.

>> Tovo: Thank you. Councilmember Houston has a question.

>> Yes.

>> Houston: Thank you for flying down from Dallas to help us with this.

>> No problem at all.

[1:26:56 PM]

>> Houston: I think councilmember Zimmerman, I understand your concerns, but this is an issue that you bring up is for the Austin independent school district. All we're doing is creating an ordinance for them to operate. There's the money -- any money that you're talking about you need to have a conversation with the aid trustees. That's not what we're here -- that's not what the ask is. It's not about money. It's not about what the accuracy visit or what the violation rates are. It's about setting up the umbrella ordinance so that aids can operate.

>> Tovo: Thank you, councilmember Houston. Mr. Blanch, I don't see any further questions.

>> Zimmerman: One more.

>> Tovo: Councilmember Zimmerman.

>> Zimmerman: Just, again, for the record here, if the city passes this ordinance, not only is this going to be able to be set up in aids, but I don't see any reason why it couldn't be in every school district in the area, round Rock, Leander, manor, right? The ordinance doesn't say it's just for aid. I thought the ordinance creates provision so any school district could eventually set this up.

>> Houston: It's in the Austin jurisdiction, not in Round Rock, pflugerville, smithville, only in Austin.

>> Right now we cover Elgin and San marcos. I cannot comment on anything with Austin.

>> Zimmerman: We have six school districts.

>> Tovo: Actually eight.

>> Zimmerman: It creates a penalty that can be implemented --

>> Houston: If the districts chose to implement this, then it would -- maybe in Austin have the effect. But that's on the district level, not on the city level. We have a lawyer here.

>> Councilmember, law department. The ordinance is written for that part of any school district that's in Austin full-purpose jurisdiction.

>> Tovo: Thank you. Any other questions, councilmember Zimmerman?

[1:28:57 PM]

No? Okay. Council, we have no further speakers on this item. I'd entertain a motion. Thank you, councilmember Renteria moves approval. Seconded by councilmember pool. Any discussion? Councilmember Casar.

>> Casar: It seems to me that we have a lot of members off the dais making it -- considering that councilmember Zimmerman has already expressed his opinion, I would move doctor or amend that we table this -- or amend we table until some people are back.

>> Tovo: I appreciate that suggestion for this to pass on three readings we would need a higher number of councilmembers to participate. So let me just ask, does -- nineveh question for our aid sniffs as was mentioned we had a graduation ceremony they want to be able to attend. If we do need to take the vote after lunch, that --

>> Houston: Yes. Could we have Mr. Waxler come forward.

>> Tovo: Sure.

>> Houston: And talk to us a little bit --

>> Tovo: Welcome, Mr. Waxler.

>> Thank you, mayor pro tem. Good afternoon to you and to councilmembers. Thank you very much for taking this a bit out of order. It's not one graduation we have today. We have four graduations going on today. A few of them -- one is already done. Ones in progress. At the end of this week y'all will have thousands of new high school graduates in your city of whom we are very proud. With regard to the item that is before you, with all due respect, to Dallas county, I did not know they were going to be here today, and I think they are responding to the presentation of the video to the public safety subcommittee the other day. The Austin independent school district does not have a relationship with Dallas county schools or the vendor that supports Dallas county schools.

[1:31:04 PM]

I don't say that as a positive or a negative. The vendor is simply one of the vendors that responded to the rfp. And we have not made a decision about that rfp, as councilmember pool has indicated. This really is about child safety. I absolutely respect what councilmember Zimmerman has said. But for the Austin independent school district, it is about the safety of our children. When we first looked at doing this, the former superintendent said she wanted a pilot project completed so that we had some data. On the need, to establish the need. The pilot project was done. The need was established. And then the question was how would this be implemented? At that point in time we started working with the legal department of the city. Everything else that councilmember pool has said about the program is in fact correct. With regard to the due process questions that have come up, the Austin independent school district is very sensitive to making certain that people don't get caught up in any kind of web. All we want to make certain happens is that they comply with the law. When they don't comply with the law, then there are consequences, and then there are means of appeal, which we will take very, very

seriously. So we probably will make some money in the first year. Goodness gracious, the Austin independent school district can take those dollars by those who have not complied with the law and put them into classrooms. Everyone knows that we need dollars in our classrooms. By the same token, our projections are those monies will dwindle over time because people will understand what is expected of them when it comes to school busses and the safety of children. With that, mayor pro tem, I'll stop here.

[1:33:06 PM]

>> Tovo: Thank you very much, Mr. Waxler. I just wanted to add my thanks to you for being here and to those who have worked on both the pilot project and pulling together this ordinance. I want to acknowledge a former colleague of mine, former councilmember Chris Reilly who brought the pilot program forward to the previous council, which kind of kicked off this initiative. So I'm very pleased to support this going forward. I think it's a good step in improving safety for our school children. Any further discussion? All right. All in favor, please signal by raising your hand. Any opposed?

Councilmember -- so the vote --

[audio stopped] We'll be going into executive session and I expect will be in executive session for about 45 minutes, at which point we'll come back and take up -- likely take up the time certain item relatively soon after we return.

>> Casar: Mayor pro tem.

>> Tovo: Yes, councilmember Casar.

>> Casar: Was that all three readings?

>> Tovo: The maker of the motion was councilmember Renteria. Thank you for that clarification. Were you making -- were you moving approval on all three readings and you seconded it, was that your intention too.

>> Renteria: Yes, that was.

>> Tovo: Thank you for the clarification. The city council will now go into closed session to take up one item. Pursuant to section 551071 of the government code the city council will consult with legal council regarding item 61, legal issues related to a challenge pet wigs the appraisal review board relating to commercial property values. Is there any objection to going into executive session on the item announced? Seeing none --

[1:35:25 PM]

[executive sessio

[3:11:40 PM]

measured by that, I mean a test test test test test test test test test

[3:17:20 PM]

taxicabs, test test test test test test

[3:33:22 PM]

>> Mayor Adler: All right. We are out of closed session. In closed session we took up and discussed legal issues related to item 61. That gets us back to the consent agenda. The next item that had a speaker to speak and that was pulled is item number 20, which we're going to take up because there's people from

out of town going back and getting a flight. Item number 20.

>> Houston: I pulled it, mayor

>> Mayor Adler: We have one speaker here, Jim walker.

>> Signed up just to be a resource if there are any questions or if we want to provide any response or if anybody else has a question.

[3:35:23 PM]

We do care a lot about student health on campus. We have a counseling mental health center on campus that has a suicide prevention program and we care very much before that topic as well. We feel the bridge has been designed appropriately.

>> Mayor Adler: Is there a motion to appropriate item 20? Ms. Pool and Mr. Zimmerman seconds. Any further discussion on item number 20? All in favor of 20 please raise your hand. Those opposed. 9-1, Ms. Houston voting no. Ms. Garza off the dais. That gets us 20.

>> Houston: Thank you all so much for coming.

>> Mayor Adler: Let's go now to item number -- we had three people here that wanted to speak on -- we have a time certain at 1:00 P.M. I'm trying to think if we have other people here. Speak. This is flood mitigation task force. Do you want to set that up?

>> Kitchen: Sure. Okay. Just to explain it or do we need do the motion first, I guess.

>> Mayor Adler: Okay.

>> Kitchen: Okay. I'm moving adoption of item number 44 as passed to you in late backup, which everyone should have.

[3:37:28 PM]

>> Mayor Adler: Is there a second to the approval of item number 44? Ms. Gallo, okay. Ms. Kick.

>> Kitchen: Just briefly, I'll go through this briefly. As you know -- well, you know, as we've talked about earlier today we have significant issues throughout our community city-wide with flooding. And those relate to all the way from issues related to flood mitigation it what happens to risk of health and safety and property from flood events to how we respond to those events. As we've talked about earlier, it's time for a community conversation to work with -- to work with people throughout the city and with our appropriate city staff from different departments to address what we should be doing all the way from mitigation to response. And look at the funding issue. So, basically, what this does is it creates a flood mitigation task force, created to gather information and develop recommendations related to city-wide -- I'll emphasize that, again, because we are impacted throughout our city. And the impact on property, on public safety, city finances, on people's lives, with an emphasis on flood mitigation solutions and funding. We have some difficult issues and some tough issues to address, and that's why I'm bringing this forward. We need community -- we need community input and a community conversation throughout the city to address what are some very tough resource issues. We've already had some conversation earlier today about some of those issues. I want to about the out to my colleagues that the late backup item that y'all have repeats the change -- repeats changes which are underlined to respond to the conversation that we had at the work session.

[3:39:35 PM]

So we did make some amendments to address the concerns and the questions and the suggestions that councilmembers had at work session. So with that I'll -- we can go to people's testimony.

>> Mayor Adler: Okay.

[Indiscernible]

>> Mayor, members of the story, my name is steward Hirsch and like most in Austin I rent. You received as part of the backup my comments on the task force and I want to highlight a few of them. First there are four departments that I think are missing from the list that are critical. Planning because of their role in imagine Austin, development services because they are involved with permit issuance in the floodplain, Austin code because when people don't fix floodplain houses, Austin code picks up that task and neighborhood housing because they repair flood damaged houses for low-income homeowners. There needs to be two areas of expertise not enumerated in the last draft I saw that need to be added. One is expertise on housing affordability, and the other is on the mental health issues related to post flood recovery. We need to talk about costs, and those are also the costs associated for people who decline voluntary buyouts. What you've done in onion and Williamson creek lately is let people stay in the floodplain. There are costs associated with that. That needs -- till now and I didn't see in your work sessions is the demolition after a flood is often the most cost-effective way to increst impervious cover in the flood zone. You don't have to buy the land, and it's way less expensive if a -- if you're doing it right away.

[3:41:44 PM]

Since 1981 I will tell thought cheapest way to buy out property is right after flood because people haven't fixed it. So the cost to the city are much less if you have a sense of urgency. As someone who worked Katrina, I want to see the same sense of urgency for the buyout for people who flood in Austin that we had for our brothers and sisters who came here from Louisiana, and we were able to get out of the convention center in 30 days. So I'm very happy about the cosponsoring that I've seen and all the work that's gonna this resolution. I hope you'll add some of my suggestions and hope to be able to attend those meetings talk with folks about new ideas. Thank you very much.

>> Mayor Adler: Thank you. David king. And then Lupe Moreno.

>> Good afternoon, my name is David king. Thank you, mayor and councilmembers. And thank you, councilmember kitchen, for sponsoring this and of course for mayor pro tem tovo and councilmember pool and mayor Adler and councilmember Garza for cosponsoring this important task force here. I really appreciate it. Pardon me. One of the points I'd like to make is that I think that task force, the work of the task force, should help inform our codenext process because they're going to see kind of first hand the issues with flooding and what things correlate to exacerbating our flooding issues in the city. I think that would be important. You know, and I've already said earlier today I think that this council can do things on your own that don't rely on the task force here. One of the things would be to, you know, just not improve any more variances in floodplains, to discourage development in floodplains. You know, I think that the floodplain map should be updated.

[3:43:48 PM]

We heard they're folks were not in the floodplains 20 years ago and now they are so I think our maps need to be updated and incorporate into it our current understanding about climate change and look forward and project what that's going to look like ten to 20 years down the road. And the -- again, I think that one of the things we should look at is a long-term strategy to deal with flooding because it's going to be with us forever. And so I think some ideas that I'd -- like I mentioned earlier today, if somebody is going to develop in a floodplain that there should be some kind of fee associated with that development to help us get ahead of the flooding issue and to use that money that would be generated from that fee to help citizens out, residents out, who are then affected by flooding. And one of the strategies would be to use some of that money to pay for flood insurance that they would not otherwise be able to

afford. So, therefore, that way we don't -- the taxpayers don't take the burden, the full cost of paying for that structure or replacing that structure or buying a new house for that person. And so, again, I think that these strategies should be targeted towards our low and moderate-income families who are, you know, really struggling right now just to be able to afford and many of them are -- may be, you know, have no choice but to buy into a flood-prone area because it's going to be a little less expensive so I think we immediate to keep that in mind as well. Thank you again for bringing this forward, and I look forward to the work of the task force and thank you.

>> Mayor Adler: Thank you.

>> Yes. I've been living there 38 -- almost going on 40 years, 39 years, and the water has come about this close to my house. We haven't gotten flooded yet. I'm really concerned about what's going to happen.

[3:45:48 PM]

Down the block, they proposed to buy those houses except five of them on that street, and I'm concerned because I notice in the -- they already demolished two houses and it's very filthy, the grass is very high, they haven't cleaned it out. I remember many years back, I saw a lot of people going through the creek and I asked them, they said "We're going to clean it out." I have not seen no one clean that creek out. There's a lot of debris, tall grass, when there's rain the water doesn't flow the way it should flow. I think that we need to have somebody set aside, like he was saying, for things like this. He just mentioned something that is very true. I'm a widow, on a fixed income, and it's hard for me. And paying flood insurance is very hard. It would be nice, like he said, if there was a way they could help us out with that. Especially with trying to get that creek to -- anything that would help us from overflowing like that. My neighbor is very concerned. They couldn't be here today but she wanted me to make sure and say she's going to be right next door where they tear everything down if it goes that way and she's concerned the water will come closer to her now with nothing out there. So I'm concerned also about the value of my house. Is it going to depreciate a lot more now that all this is happening? How is the neighborhood going to look after they demolish all these houses? I'm concerned about being flooded any time soon. So I hope that they have some kind of suggestions or like he was saying a task force or something that works on trying to better the situation. I'm concerned overall about our safety, that we're -- the e-mail they sent me, be sure and have a ladder and you can go up to the attic.

[3:47:50 PM]

Well, I can't even get up there. I don't know how to -- I don't know, it's just kind of scary, but they don't give us any suggestions as to what they plan to do. So that's my concern. The depreciation, if it's going to depreciate a lot, the value of the house. The flood, flood insurance, is the water going to come down closer to us now that all this demolition is going to go on? I just would like some feedback on some of these things. I know that we're talking a lot about the buyouts and that's great but I would like some feedback on what's going to happen to the people that are staying there and the property. That's it.

>> Mayor Adler: Okay. And I understand. I don't know the answer to that question. Is that the kind of thing that's covered in that task force?

>> Kitchen: Yes. I'm sorry. I didn't understand. Which -- are you in the Williamson creek area.

>> I live at 5231 meadow creek drive. Williamson creek is right behind me.

>> Kitchen: Okay. A lot of the questions you're raising is the reason that we're wanting to move forward with this flood mitigation task force that we're talking about now. Like you said there's a lot of concerns for neighbors. You have a lot of concerns about your own safety and the value of your home, and we're hoping that we can talk to people in the community like yourself through this task force process and come up with some policies going forward for the whole city.

>> Okay. I just wanted to bring it to your attention. I hope y'all can talk among each other.
>> Kitchen: Yeah. If you have specific questions about buyouts in Williamson county -- or Williamson creek, I always say Williamson county, Williamson creek, feel free to contact our office.
>> Yes, I will. I'll contact you for seeing where y'all are at, okay?
>> Kitchen: Okay. Thank you.
>> Thank you.
>> Mayor Adler: Thank you very much.
>> Mm-hmm.
>> Mayor Adler: Those were all the speakers that we had on this item.

[3:49:51 PM]

>> Kitchen: Mr. Mayor?
>> Mayor Adler: Ms. Kitchen.
>> Kitchen: I would just want to respond to some of the suggestions that the speakers made. With regard to the suggestions from Mr. Hirst regarding the other documents, I think certainly the intent as well the language of the -- of this resolution is to include all of the relevant departments. The language is written as such as, so the ones that you're suggesting in terms of planning, code compliance, neighborhoods and developments, those would -- I would anticipate those would be included.
>> Mayor Adler: Okay.
>> Kitchen: Okay.
>> Mayor Adler: And staff is now working with her in the back on some of the specific problems or challenges that address her.
>> Kitchen: Okay.
>> Mayor Adler: Just as a general rule, I'm going to vote for this. When this first came to me, I was a little bit concerned about having a request for a stakeholder item come to council just because, you know, having watched councils in the past, a proliferation of creating stakeholder issues and the like, I -- especially, you know, in election years I think the goal is to have items get vetted before they reach this dais and there are policy conversations involved, and I appreciate that we're not having one here. It might be because in part we had the policy conversation this is morning that I think identified the need for it. And I know that there are important issues. My hope is that we don't have a lot of these kinds of resolutions. Sometimes committees can also send things to be studied as well. But I think that the argument that you made to me, I found very persuasive, which was there are some issues of such a level that they should be handled in this way, especially when there are significant forced choices that a community has to make in terms of setting priorities price, which is obviously going to be involved with this kind of area.

[3:52:03 PM]

Because there's not enough resources to be able do everything that we want to do and it is an appropriate thing, I believe, to have a stakeholder group weigh in on to both advise us and advise staff. That's why I'll be voting for this. Any other discussion on item number 44? All in favor of item 44 please raise your hand. Those opposed.

>> Zimmerman: Abstaining.

>> Mayor Adler: 9-0-1, Zimmerman abstaining and Ms. Garza off the dais. Let's go ahead then. We had a 1:00 time certain that was set on item 48. We have 17 people lined up to speak in favor of item. It was pulled by pool and Casar. Is there a motion to adopt item number 48? Ms. Pool. Is there a second? Mr. Casar. I don't want to speak for the council, but my guess would be that this is going to pass. We have 17

people to speak. I would -- you could certainly give time back or speak briefly as you get called up on this plan. In fact, before I turn it over to the public, just to test that, let's have a little bit of conversation first on the dais about this item. This is the climate change plan.

>> Troxclair: Didn't this item -- wasn't this item heard in committee?

>> Then isn't it limited to eight speakers.

[3:54:05 PM]

>> Mayor Adler: I think it is limited to eight speakers. Okay. So our rules are that when an item goes to committee and gets vetted by committee, it comes back to the council, we have four speakers speaking on both sides, each speaker gets to speak for two minutes and it's first come first serve. Which means that in this case all of the speakers are speaking for. We have one speaker who is speaking neutrally. The first four speakers up that would be entitled to two minutes each are daily Bula, David King, Kevin White and Joe Mejur. They could certainly move things around or identify different people to speak in their stead. The neutral person we have speaking is Scott Johnson. Ms. Pool, is there someone you thought would be real apt to speak on this.

>> Pool: What I was going to suggest was that the folks who came in support of the climate plan, if you could choose among yourselves who the best four speakers would be, we would entertain that. And I believe staff is also here to answer any questions that may arise. I think --

>> Mayor Adler: While that group is lining up, why don't we have staff give us a quick overview on the climate plan change for the rest of the council briefly.

>> Pool: If I may, while -- Ms. Athens staff come up I'd like to lay out a little bit of information, just sort of set the foundation. This plan -- and you have a copy of it at your place here. Gathers the activities of numerous, if not all city departments together. It eliminates or reduces the silos among them and clarifies a course of action for the city.

[3:56:05 PM]

It's been a very long time in its creation, has wide community acceptance and wide community input, and it prepares us for a greener future. There is one additional handout that was provided that shows a time line for when the climate protection plan resolution was first filed, which was in 2007, and then we had a number of resolutions since then. And I'll now turn it over to our sustainability officer, Lucia Athens. Thank you.

>> Thanks very much, mayor, council, great to be here today to give you a quick overview of the plan. We'll try to make it brief. But we're excited to bring the plan today that over 60 volunteers and staff having working on over the past year to deliver to you. The adoption of this plan is a really important step to begin working on a long-term plan that would take us all the way to 2050 so it is a very ambitious plan that responds to council direction to achieve a carbon neutral community by 2050. The additional hadn't out that you have with the time line tries to provide context for you related to previous resolution that's council had adopted in the past. Since 2007, staff has been working very hard around climate change issues and responding to the original 2007 resolution that set a target of net zero or carbon neutral city operations by the year 2020. The resolution that was passed later, in 2014, that's the community climate plan resolution that generated the plan you're reviewing today, set a goal of a net zero community by 2050. So we have clear policy direction from council about what the goal is. The plan in front of you basically sets out what I would refer to as a high-level master plan or roadmap that sets the direction for how we're going to actually achieve the community greenhouse gas neutral goal and gets everybody in the departments and other key partners we would need to be working with all moving in the same direction.

[3:58:14 PM]

Obviously, with the 2050 being as far out as it is, you're probably thinking, you know, how are you able to adopt a plan today that takes us that far into the future. But the actions that are within the plan have been prioritized. There's actually 136 recommended actions in the plan, but I would say there are only -- that would be recommendation that's we'd be acting on over the next I call it 16 months, the remainder of this budget year and the following budget year. Those are on page 6 and 7 of your plan and they were brought to that high level by the steering committee who has been working with us on the creation of the plan, which just to very quickly give you the big picture, the recommendations are primarily divided up into things related to transportation and mobility, organics waste reduction and building energy use. Those are the three areas that primarily make up the most significant pieces of the pie for our community greenhouse gas. Footprints, those are the three areas we worked specifically on, as directed in the council resolution. The other recommendations take us further. There's about 58 recommendations that would take us forward into about the next five years. So what we would be doing if council moves today the approval of the plan, we would take action, office of sustainability would work closely with all the other key stakeholder departments to create an implementation plan, also one of the recommendations before you in the plan. To really lay out how we would achieve those other actions and we would be looking very carefully at the cost benefit of each one of those. The actions that you see have already to some degree been prioritized by the group that put together the plan to really look at things that are already adopted or underway. Good the news is we have quite a few of those things already adopted or underway as a part of other plans, such as the bicycle master plan, zero waste plan.

[4:00:17 PM]

So we have a lot of good alignment with things the city is already working towards that do show up and integrate with the community climate plan. They've also been prioritized for things we don't feel like have significant barriers that would have a large potential to reduce greenhouse gas emissions and that would deliver a lot of additional community benefit. So we thought very carefully and the technical assistance groups and steering committee and staff have thought very carefully about the other benefits that could be delivered to our community. Yes, we want to reduce greenhouse gas emissions as directed in the council resolution and, yes, that ties back to the idea of global climate change but there are other benefits that can be achieved, things like reducing traffic congestion, which would reduce commuting costs for people in our community. Improving air quality, which has associated health benefits and reductions that would you expect to see in things like asthma illnesses, things related to reducing energy bills, which also has a basket on people's cost of living. So we've really thought about, you know, the broadest range of the community, both business and the residential community, renters, people on fixed income, how could some of these benefits be realized by those folks as well. So in how ambitious the plan is, to quote a wise philosopher, the journey of a thousand miles begins with one steps. Some of the steps by previous council set the actual goals but the next step in front of you is really to adopt a plan for how we realize some of those goals. Staff is recommending the adoption of the plan. I hope you will be adopting it today so we can then swing into action to start developing the implementation plan.

>> Pool: Ms. Athens, do you have an estimate for what a fiscal note would be on this for the upcoming budget year for fiscal '16? What would be the financial impact?

[4:02:19 PM]

>> We have not done a fiscal note. As I was mentioning the action that's were brought up to the highest level, the next year -- I would say something like next 12 to 16 months, we don't anticipate a significant budget impact for those. Most of those things are actions under underway as a part of activities that are already being delivered by the transportation department, Austin energy, or resource recovery or the office of sustainability. There will be some staff impact for a few of the recommendations there's a request for a feasibility analysis, for some additional tools that we would want to be looking at. So there is a staff impact there and I think really where you're going to see more of it coming forward would really be through the next budget cycle, the 2016, 2017 budget cycle because it would take us about six months to create the implementation plan, where we'd be doing more careful assessments of cost benefit of anything new that isn't already underway. Once we've had a chance to do that we can immigrate that into the -- integrate that into the budget process that would be taking place to start reviewing proposes for the 2016, 2017 budget.

>> Pool: So the council would have those changes and any budget implications in front of us here at the dais to have deliberation and a vote on whether to proceed?

>> Yes, that's what I would anticipate, yes.

>> Pool: Also part of the budget process?

>> Yes.

>> Pool: Okay, all right.

>> Zimmerman: Thank you, Mr. Mayor. Couple quick questions. I've gone through the 40 -- well, the 80 something pages in the report, wanted to draw your attention to page 42 if I could. It's a phase one strategy category, behavior change, and education. And I wanted to say that if you don't have that position filled, I know of a former Austin city manager that might be interested in that job, training for behavior change.

[4:04:26 PM]

[Laughter]

>> Zimmerman: The second point I'd like to make is maybe later in our conversation here, I want to go back to the 2007 climate change plan. I've been studying this for sometime, and it's my observation that the biomass power plant we're now paying about \$50 million a year for and we're getting virtually no power, and I think later I'll get back to some quotes I have that date back to 2008. You want to take a look back in time because when we consider the question of what this is imposing to cost, we do have some past history on what these climate change plans have led to in the past, but we can talk about that later. I just want to underscore the fact I also was not able to find any cost impact, you know, what would be the cost of implementing the plan. I see no information in the pages so is there something I missed?

>> No, did you not miss anything, councilmember.

>> Zimmerman: Thank you.

>> I think to recap what I said a moment ago, the recommendation that's in the immediate term, one of the recommendations in the immediate term is to develop an implementation plan which would develop the cost estimates and the cost benefit. And normally you would say a portfolio of different activities with this kind of range and breadth, would you expect to see a range of different pay back periods, some longer, some shorter. In addition the other thing I wanted to mention is that considering how long in the future this plan would carry us, we do consider this to be a living document that would be updated. Technology is going to change a lot by the time we get to 2050, obviously, we don't know what that's going to look like. Many of those new technology developments do bring the cost down for doing these things so obviously that's something we'd be looking at carefully as things become more cost attractive but today some might be less attractive but over time the cost benefit might look better.

>> Pool: And there was one other thing I wanted to just let the dais know.

[4:06:29 PM]

The community climate plan did come to the open space environment and sustainability committee at our meeting last month. Of the four members, only the mayor pro tem and I were there at the time when we were looking at taking some action on the vote. Of course my vice chair is off on maternity leave and wasn't able to join us, and councilmember Zimmerman was -- had to leave. So we brought this to council on the strength of the community support for it, the work that staff has certainly invested into it. And the feelings that the mayor pro tem and I had, as well as my cosponsors here, that this is a significant effort that we should move forward with today. But I did want also to give a report to my colleagues here about the committee action or lack thereof.

>> Mayor Adler: Yes, Ms. Houston.

>> Houston: Mayor. Thank you so much for the overview. This is a gorgeous book. I'm going to have to take exception on some of the community engagement that we've alluded to and how much the community has been engaged. I was looking at the public input and community support, appendix F, and the survey that was online was up for six days. I guess you guys figured this was a good way to target underrepresented zip codes and demographics. People who work two or three jobs and have children are not going to be able to respond to a six-day turnaround time. In parts of my community, you need at least two weeks so that they understand what the issues are and are able to respond. I see no information that we tried to do any kind of meaningful or -- outreach to the black community.

[4:08:36 PM]

Other communities in the district, like the Vietnamese community. So when you say it's a community work, I'm not sure how you define "Community" because I live in 78722 and even though some of those people in 22 are very community savvy, technology savvy, only ten to 17 people participated in the survey. So when we talk about this robust community engagement, I need to be clear about what you mean when you talk about "Robust community."

>> I appreciate the question. I think one point that I wanted to make sure folks understood is that the vast majority of the 60 people who volunteered a lot of time over the past year to work on the plan, I do think represented a pretty broad range of the community, from business owners to folks -- homeowners and so forth. And also other partner organizations. I'm actually going to ask Zack Baumer to give you more information about the community engagement process that we were able to do with a bit more detail.

>> Hi, councilmembers opinion Zack, Baumer. Yeah, so we had over 60 community members participate in the process directly working with us for nine months. We had a speak up Austin forum open for multiple months. The survey and the six days you mentioned there, the survey was actually open and available for response for three months. So I think we received around three or 400 responses over the course of those three months. The six-day period there was we worked with a firm called research now which helped departing get more responses where we didn't have representation from the community. So in the first 400 responses we received we didn't have wide geographical responses so we contracted with this firm to get more responses and bumped that number up to I think a thousand people that completed the survey.

>> Houston: So in district 1 I'd like to be able to find out who on the 60-member task force was African-American and who -- how many African-Americans did you receive responses from?

[4:10:46 PM]

>> Okay. We can get that information for you.

>> Houston: Thank you.

>> Mayor Adler: We have some speakers. Before we go to the species, do you want to talk, Ms. Gallo?

>> Gallo: Just have another staff question. You know, it would be helpful to have the fiscal impact on something presented to us from a department, even if you're not exactly sure what that might be, because I think as we vote on policy and items that we do always want to ask what the fiscal impact is. So thank you for addressing that, but I think in the future, if departments could please make sure that that component is so that you have some time to think about it before kind of getting asked that question when standing before us. The other question I want to be really clear of, this is a wonderful presentation, wonderful booklet and to you all of the people who have spent so much time putting this together and being a part of the process, but I want to make sure that in voting for this, I see that there are a lot of -- there's some items that impact particular businesses, type of businesses. And I want to make sure that we are not voting to mandate that for these businesses without having the opportunity for that part of the community to come forward and address that. So could you help me understand from a policy standpoint if we vote for -- to approve this, are we also voting for implementation of certain policy areas that would impact businesses? Mandatory, that would be mandatory implementation for those businesses.

>> Sure. I understand the question. I think it's a good question. I would say by and large, what you would -- what you see in front of you are not mandates. We have a lot of emphasis on incentives, behavior change programs, on things that we can do to move the needle that are more voluntary. If there were to be anything that would be mandatory, and I can't think of what it would be at this moment actually out of the plan. Zack, if you can think of something let me know -- it certainly would be something that would come before the council for a decision, specifically on anything that would be a mandate.

[4:12:54 PM]

I can't think of anything in the set of 130 recommendations at this moment that represents a new mandate that, you know, just by saying that you're overall in favor of the plan you've created a new mandate for that.

>> Gallo: Okay what I'm saying then, what I'm interpreting you to say is the plan that's being presented that we're going to vote on does not mandate any specific type of behavior or action from businesses? Or the community? Anything that would be mandated would come back to the council for discussion and the opportunity for stakeholders to be part of that discussion?

>> Yes, I think that's a correct statement, councilmember.

>> Gallo: Thank you.

>> Mayor Adler: Okay.

>> Zimmerman: Quick comment. Thank you, councilmember Gallo, for bringing that up and the cost. But it's my understanding, and I have some public quotes from 2008 to back this up, that the climate protection plan of 2007 was cited publicly as rationale for entering the agreement for the bio plant. If this plan is approved judging from history we'll have people saying well we have to enter a power purchase agreement because that's what the climate plan says. I have a quote from mayor Wynn back in 2008 talking about this, as to why we had to enter that terrible agreement. One other quick note on page 18 of the report you issued, under I call this the sales section, it's got a young family there, says "How do I fit in," and right in the middle it says implementing the Austin community climate plan will help central city families to lower their energy costs. So if we don't know what the cost is to this, still the report is making claims that you're actually going to save money. And I don't see any backup material or anything to support that claim. So it kind of looks like sales, you know?

[4:14:55 PM]

Just -- is there any information to back up those savings that's talked about here in the plan?

>> As I said, there is not a cost benefit analysis, but I think the intent of a statement like that in the document refers back to a whole series of different recommended actions that have the potential to lower individual utility bills for a homeowner. And if that bill is lowered, then automatically your energy cost is going to go down. So it's really that -- that statement is really made from that broad perspective.

>> Zimmerman: Okay. But judging from history, have the Austin energy utility bills been increasing or declining since the 2007 climate plan?

>> I wouldn't be able to answer that question by and large, councilmember, but I would say that as you Austin energy customers who participate in rebate and incentive programs to manage their energy bills have seen a reduction in their energy use, which results in their bill going down.

>> Mayor Adler: Thank you very much. First speaker we have is dale Buehler. Followed by Mr. White, Joe mejur and Al.

>> Mayor, council, my name is dale buhla and I'd like to talk about keeping our eye on the prize of sustainability today. I'm going to limit the remarks I had planned and be glad to send you a copy electronically. This city has been a leader in the past when it comes to energy open space conservation and much more, but others now have surpassed us. As we move to a zero carbon future we can be inspired by other cities, such as aspen, Colorado, who will be 100% renewable by this year, into this year, San Diego will be zero emissions by the end of 2035, even Frankfurt, Germany will be zero emissions by 2050, San Francisco zero emissions by 2020, San Jose, California, by 2022, Georgetown our neighbor to the north will be zero by 2017 and even la pas, Mexico by 2015, even kodiak, Alaska, at present is 98% -- 98 -- and many businesses are moving in this direction with green power such as apple, IKEA, Intel and many more.

[4:17:46 PM]

They're not doing this 40 health of the planet. They're doing it because they're saving their shareholders money and saving money in the long run is what's motivating a lot of this change. Even the U.S. Department of defense is investing billions to reduce its carbon footprint as last year they said the impacts of climate change will cause instability in countries around the world impairing the access to food, water, damaging infrastructure. The Pentagon also says these developments will cause instability in worldwide governments and increase in competition and tension between countries vying for limited resources.

[Buzzer sounding]

>> These gaps -- I have a dream that one day our energy will be clean, affordable, abundant and that our water will be clear and that our waste will be recycled, reused and repurposed and that the future of our children will be filled with optimism and please give us your support in this effort. Thank you.

>> Mayor Adler: Thank you.

[Applause]

>> Mayor Adler: Ms. White.

>> Good afternoon, mayor, mayor pro tem, councilmembers. My name is Ms. White, I work at public citizen and I was a member of the community climate steering committee that helped to create this report with a lot of help from staff. And I really appreciate all the time everybody put into this. I'm very pleased that y'all are considering moving on to the next phase of this project in a timely manner. It's really important. Record droughts, wildfires, floods are indications that our region is suffering from climate change. Sadly we as a species didn't act soon enough to prevent harmful climate change. The

longer we wait to dramatically reduce greenhouse gas emissions the worst these conditions will become and our residents here and our businesses here will suffer the consequences. So action now is important. Austin can and should be a leader on addressing the issue of climate change. We have a duty not only to stop contributing to the problem, but we also can inspire other cities and even states and countries to take similar action.

[4:19:53 PM]

And that action needs to happen now. The recommendations in the Austin community climate plan are things we can accomplish as a community if we make this a priority. And almost all of them will have significant cobenefits beyond reducing greenhouse gases. We can create more good local jobs. We can improve affordability, reduce time lost in traffic, improve air quality, and invest more in our local economy. Our community can be more prosper Russ and more resilient and do that while reducing our impact on the global climate. I'm going to keep this short. This is going to be an ongoing process but this resolution is a good step forward and I'm really appreciative of all the support on council. Thank you.

[Applause]

>> Mayor Adler: Mayor, mayor pro tem, councilmembers, I'm cofounder of climate buddies, and we're trying to help organizations and people to reduce their carbon footprint and I have a little bit of information for you from one of our partners. Our partners worked with 20-plus churches who worship here in Austin to get more energy efficient work on their carbon footprints. If you're interested in the report we can send it to you. We've been working with them for the last three, four years and most of the churches have made great strides in improving their carbon footprint. Scientists are telling us we need to go beyond net zero and take gases out of the axis to make changes. Today we have the opportunity to work on the first step, getting to city-wide net zero greenhouse gas emissions by adopting the plan in front of you. I have planted over 1,000 trees for the children of my brother and sister. Doing so will make them what I call carbon positive. They're lives will result in a net removal of greenhouse gas emissions from the atmosphere from birth they're not part of the problem, they're part of the solution.

[4:22:01 PM]

It makes business sense. Investing in clean energy reduces operational expenses, removes energy price risk and delivers sizable return on investments for companies mentioned. It makes sense for residents, the cost of an electric car today is the same as the average car sold in the U.S. And fuel cost is about a third. Putting solar on your roof alone or as part of your mortgage lowers your monthly utility bills. Our utility can be a shining star in a net zero city of Austin. Many community stakeholders you see a lot of them here in the room, city departments, commission and boards --

[buzzer sounding]

>> -- Have participated. All the departments in the city have improved the plan, including Austin energy. I hope that you will build on the good process so far and on behalf of all of us, please adopt the plan that's in front of you. Thank you.

>> Tovo: Thank you.

[Applause]

>> Tovo: Next is Al and then we will move to the speakers against.

>> Thank you, mayor pro tem, members of the council. I'm Al [indiscernible], here speaker being on behalf of Sierra club and hundreds of members in Austin, thousands of members in central Texas. I certainly hope you'll support item 48 about I was very honored to be part of the steering committee effort that worked with four different technical advisory groups to put together this plan and as a high-

level policy statement I think it's a very good plan. I think it -- or the spirit of the resolution that was adopted last year by the previous council and sets the path for the construction of an actual implementation plan that will implement the high-level goals in front of you today in item 48. I wanted to touch on just a couple of quick aspects of this plan that I think you'll find attractive.

[4:24:06 PM]

The first is that we had buy in from many different city departments. We had lots of engagement with those city departments, including Austin energy on the affordability issue. One of the items that is really at the bedrock of this community climate plan is a generation plan that was forwarded by Austin energy last year and adopted by the previous council and that generation plan is forecasted to meet the city's affordability goals of increasing electric rates of no more than 2% in coming years. And so you'll see that throughout this plan with that example and others. There certainly was an eye for everybody that was working on this community climate plan to make sure that we identified things that would be good for the climate but also that were cost-effective and that where we identified things that were cost-effective we prioritized -- I wanted to mention, again, on the electricity generation is that one of the things that has really helped reduce costs for electricity customers here in Austin and throughout Texas has been the recent development of renewable energy, the cheapest generation that has been built in Texas over the last ten years has been the massive --

[buzzer sounding]

>> It is just a great example of how we can innovate, use modern technology, move all of old fossil fuels and save money at the same time. Thank you for your time and I resolution.

>> Tovo: Thank you very much.

[Applause]

>> Tovo: That concludes our speakers for. We have two speakers signed up against. If there's anyone else who has signed up against, we're entitled to have four speakers against. So please see the city clerk. Mr. Bruce Milton, you are listed first and next will be Scott Johnson.

>> Good afternoon, y'all. Bruce Milton. Been practicing civil engineering in Austin for 31 years. Specializing in environmental issues in the early '90s I did research on stormwater treatment and started reading the academic literature on climate change.

[4:26:12 PM]

In 2005 I founded the climate change now initiative, which evaluates academic literature and interprets it into plain English for public consumption. I've prepared about 400 reports, highly referenced on the academic literature, 60 public -- popular press articles, two documentaries, a book, and my work involves communicating the most recent science to the public and policymakers. This plan is a very aggressive plan. It's one of the top plans in the country. It's a very good plan based on a generation of climate policy. Climate science lags climate policy. My job as a CEO of the climate change now initiative is to communicate this climate science ahead of the lag because climate change is such a critical issue with our society today. I'm concerned from the work that I have done that the latest climate science is poorly represented in this plan. Many of the strategies are decades old. Some of these strategies, because of new climate science, because of discoveries with sulfates, global cooling pollutants, the way clouds interact with moisture and these sulfates, dynamic interactions in our atmosphere, very new science, some of these things point to a lot of the strategies that we're using today is creating --

[buzzer sounding]

>> -- Creating more warming than if nothing was done at all. I've worked very closely with Zack Baumer and the committee, trying to get a mechanism so advisory panel evaluate the effectiveness of this plan

against the latest climate science.

[4:28:16 PM]

Thank you.

>> Tovo: Okay, thank you, Mr. Milton. Mr. Johnson. Mr. Johnson will be our last speaker.

>> Mayor, council, city manager, the plan as Bruce was saying needs a technical element where there's a committee put in place that can oversee technical aspects to determine what the feasibility is and what the costs will be based on the technological solutions. My interest is broader than this. Early in the process, even before the process started in April of last year when the resolution passed I expressed interest in this idea that we have an ozone plan, air quality plan, ground level air pollution. We had a plan or framework since 2007 for climate. These plans overlap greatly. At least 30 or 40% of the strategies that would you put in place to reduce ground level ozone, referred to as smog sometimes, would benefit the climate. And what we need to do is consider that integration, we have about nine staff members in the office of sustainability, working diligently, we have two in the transportation department working on ground level ozone issues. There's some overlap. The integration and coordination could be better, could be much better. Another opportunity for the council to give direction to staff is can we improve the way that we educate on environmental issues. We indicate plenty on air quality and have been for a long time. We're improving the coordination between investigate bodies the city works with. We need to do much better. How did we reach people of color, low-income, people that are not those that speak English as their first language. That's a huge challenge. We need to work together to try to solve that. Those folks need to engage, be part of the solution. Many are not now. Many in my district, district 4. How do we get the best people on the sustainability committee that oversees this and gives advice? Just because you're on a board or commission does not mean you have the knowledge and expertise and the time to work on climate issues or on I love the boards and commissions system, but this is an opportunity.

[4:30:27 PM]

Finally, who get to bear the responsibility if this plan does not move forward effectively? Questions?

>> Zimmerman: Quick question for you. There's a five-member steering committee, Mr. Armendes is on the steering committee report. Are there any technical people or who is the -- do you know how this committee was composed?

>> I have some idea. I'm happy for staff to answer the question. I believe that more technical prowess could have been put in the committee particularly from the perspective of how many people have worked on city projects and seen it from start to finish. One of the huge issues that we have is that people get going, life gets in the way. They don't show up, they don't call in. And that is part of what happened here, but staff can answer that better than me. I want people that are committed, not to point where the plan goes to the council, but beyond, because we're only at that intermediate step where the implementation plan has not been developed yet.

>> Pool: I have a question. Are you answer the plan or are you simply indicating that you think that there are some areas where the plan can be improved or it needs to be shored up and the implementation? Because you registered as opposing, which surprised me.

>> Part of my interest is to speak today, and this gets at the issue of how the whole process was managed, if you will give me a minute. I engage some, the dynamic between myself and the stakeholder committee was no questions asked. No questions asked of Bruce Melton. We spoke three times. Today the folks looking at the speakers that were signed up, greed among themselves who -- agreed among themselves who should speak, and I was number five as neutral.

[4:32:29 PM]

I changed to against. In part to have an opportunity to speak. But I would like to go back in time and I would like to change this plan, get rid of the stuff that we can't do and focus on the stuff that we can do and get the right people involved and in power, the sustainability officer to do her job.

>> Pool: Thank you. I appreciate that.

>> Mayor Adler: Any further comments on this issue? Mr. Zimmerman?

>> Zimmerman: One more question for you. I've made a charge here and I have something to back it up. Again, that bio mass plant, which I think is a terrible boondoggle. It's a billion dollar boondoggle now on the backs of our ratepayers. And I'm still alleging that the climate plan was part of the political motivation for that terrible, terrible deal to get signed into place. Now we're stuck with it for 20 years. Is that maybe part of your concerns if these plans aren't done right we end up with some terrible decisions?

>> Directionally I agree with what you're saying. The advocates at the time I was out of the country in Asia when it was heating up. Advocates came out against from state environmental groups and others. Clearly they were spreading the risk out over too many strategies in my opinion that weren't vetted well, and that was one of them. But times change and at that time the cost for the bio mass plant was not so far out of line as it was now.

>> Mayor Adler: Further comments or questions. That's the last speaker we have. Thank you. Back to the dais then. Additional comments? Ms. Pool?

>> Pool: I did also want to point to the element in the resolution that says the taskforce can establish advisory groups, and I suspect that with the technical expertise that we have in Austin and the clear determination and interest in being involved that we will definitely have advisory groups to speak to the very edge of the cutting blade to get the best technology in play and educate the community about things so that we can make the best decisions with the most current information.

[4:34:47 PM]

>> Mayor Adler: Further conversation on this issue? Ms. Houston?

>> Houston: And this is just regarding the resolution on -- its fifth page where it talks about be it resolved and you have the -- resolved and you have the city manager to create this joint sustainability with all the 11 groups. Then it says committee members should also represent a broad diversity of community stakeholders. Could somebody define what number four is, central city individuals and family? What is the definition of central city?

>> Councilmember, I think that the intention of having that as one of our sample audiences is wanted to look at how this plan might impact would be people who are living in the core part of the city that has higher density than outlying areas that would be considered more suburban. So in my mind that's the distinguishing feature, saying that they're central city. They might be living in a higher density neighborhood. >>

>> Houston:.

>> Mayor Adler: Further comments on this issue? Mr. Renteria?

>> Renteria: I find it very interesting because they said they were going to lower all the utility costs and all that. Then I'm looking at page 18 where central city individual and family. And on the bottom, the last sentence says central city families will also be able to purchase more sums secondhanded which will help extend their budget and keep waste out of the landfill. And then 19 talks about suburban individuals and on 20 it says retired, fixed income individual and couples, which I qualify.

[4:36:53 PM]

It also says here that implementing the Austin community climate plan would help retire couples with enhanced public transportation option and better infrastructure to support biking and walking. New utility rate structures and solar rebate program offered as well as increased opportunity to purchase low cost used goods will enable them to stretch their budget further each month. To me that gives me alarm that it's going to be more expensive than reducing my rate because that sounds like I might have to start buying used items and used goods in order to survive in this city. I don't know how secondhand items -- I mean -- I support, you know, any kind of climate plan, but that just sets an alarm up to me saying whoa, I know how I'm going to fit in this city here in the future.

>> Zimmerman: One final comment. Thank you, Mr. Mayor. One final comment here. I'm going to quote from an Austin chronicle article dated August 22nd of 2008. And I want to read a reported quote here, I'll just skip to the end, but I'd appreciate it if my colleagues would look this up. Austin chronicle.com 2008, August 22nd. And it says speaking of the nacogdoches power plant, this is a strategic no-brainer that will keep our electricity costs lower than the alternatives, and that's by the mayor will Wynn at the time. I'm just going to make a prediction here that if we pass this plan just based on history on what's happened in the past, the poor and the most vulnerable among us are going to get hit with higher electric bills because it's happened before.

[4:39:01 PM]

We just got a copy of the secret agreement that was negotiated back in 2008. A lot of people were complaining that since we're a public utility the terms of such a billion dollar contract should have been disclosed to the public. It was not disclosed to the public. We do finally have that contract and we're studying it now. But I'm very concerned that if we pass this [indiscernible] We'll get hit with more unaffordable energy increases and bad policy decisions, so I'm going to be voting against.

>> Mayor Adler: I'm going to vote for this comforted by the fact, councilmember Zimmerman, that anything like that would need to come back to the council as the bio mass plant did. I think that for me climate science clearly shows that global warming is happening at an alarming rate due to gas -- greenhouse gas emissions. I think that we need to recognize that cities are responsible for 70% of that and cities I think need to be at the front lines of climate change events and impacts. Cities across the country are taking action on this, recognizing that change in climate has tremendous implications on their city's liveability and competitiveness and resilience. Local governments I think have a real clear role to play and in fact if you look around the world, most of the chief actions that are benefiting this cause are taking place at this city and municipal level. For that reason I'm going to be voting for this. And for those same reasons I'm proud to say that I'm going to be signing up on the mayor's national climate action agenda.

[Applause].

[4:41:04 PM]

Any further discussion?

>> Houston: Wait. One more thing.

[Laughter]. We talk about a lot of

[indiscernible] With climate change and I believe in that, but one of the things that we never talk about is the size of the houses that we build and the impervious cover that we cover our land with. So it would be nice to have the real estate council get involved in this effort to think about ways that we could

downsize our houses and not have the kind of three-story mega houses that we continue to build in this city that two people live in because that is a part of, I think, why our climate is out of whack.

[Applause].

>> Mayor Adler: We're now voting on item number 48. All in favor of item 48 please raise your hand? Those opposed? It is 8-2, troxclair and Zimmerman voting no, Garza off the dais.

[Applause].

>> Mayor Adler: I'm looking through the consent agenda. Item number 11 was pulled by Mr. Zimmerman.

>> Kitchen: Mr. Mayor, we had item number -- items 52 to 55 -- 52 to 55 set at 4:00. And I realize that we have a stop at 5:30, so depending on what the council -- what you and the council would like to do, we could start the process. I don't think we could finish it, but we do have speakers here so we could start the process. We'd have to finish it after the -- we have 16 minute worth of testimony because we have eight people.

[4:43:05 PM]

Because this has been a committee item so we've got eight people at two minutes each. And then we have two separate provisions to pass. And I know we'll have some amendments too. So I don't know how long the discussion will last.

>> Mayor Adler: My sense was that in the time that we have left we wouldn't be able to finish. We might be able to. And if we can't then those people are going to get carried over regardless. I thought we would hit some things would people could actually leave, but we could certainly not do that. We could start with the time certain.

>> Kitchen: So what time would we come back after the 5:30 --

>> Mayor Adler: It depends on whether we're taking a dinner break. I would suggest that people eat while I'm doing proclamations. And if people will do that, then right after proclamations we'll start back up again.

>> Kitchen: So that means we'll be pushing our time certain -- our 6:30 time certain --

>> Mayor Adler: 6:30 will probably get pushed.

>> Kitchen: Just for purposes of letting the folks that are here for the 4:00 know that they would be taken up before the 6:30 item, correct? >>

>> Mayor Adler: Yes.

>> Kitchen: So that means probably we would be back around 6:00?

>> Mayor Adler: Never works quite that fast. We could shoot for that, but it's probably closer to 6:15 before we would do that. All right. Let's continue to push through and see how much we can knock out in 45 minutes. Number 11 is something I think you pulled, Mr. Zimmerman.

>> Zimmerman: This will be quick. I pulled some things for more conversation to try to connect the dots on where the spending items have been enumerated within our budget. We've been recently introduced to the city's budget software. It's a brave new world, really excited about that. The way items are budgeted and there are encumbrances, expenditures made.

[4:45:06 PM]

So that's really why I pulled this. I was hoping there was somebody here that could briefly tell me or show me even better where this is in the budgeted items from the last fiscal year. So I can understand where the money is coming from. I'm not opposed to the item per Se, but where it fits in the budgeting process.

>> Are the questions relevant to items 11 and 35?

>> Zimmerman: Yes, but let's start with 11 and maybe we can cover 35 at the same time. These are capital expenses, right? There's two categories in the budgeting software, one of them relating to capital expense and the other I guess what you would call operations and maintenance, ongoing expenses.

>> Right.

>> Zimmerman: If you could illuminate me on this, that would help.

>> Item 11 would be something coming out of our capital budgets and this is related to the design for a new chilled water facility to be built on the crescent tract. So that is currently budgeted in the fy15 budget year.

>> Zimmerman: Under what category.

>> I would look around Nepa is how you might see it in the Austin energy rolled up budgets, but it stands for the non-electric assets because these are projects and programs that are not funded with electric revenue, but funded by the chilled water business. So we put those into a lump of Nepa.

>> Zimmerman: The chilled water business was voted in by council when? What year?

>> Oh, the chilled water business has been around probably for about 15 years.

>> Zimmerman: 15 years. I thought it was newer than that.

>> I could be wrong and I will get back to you, but I think that's about right. Our initial foray into the chilled water business was with the purchase of an existing plant at the domain facility that has served that redevelopment area.

[4:47:13 PM]

And then we subsequently built three additional plants, two in the downtown area, one of which chills this building in fact and many of the downtown buildings. And then one also in the Mueller area that is primarily serving the Dell children's hospital.

>> Zimmerman: So the money for this particular one that we're voting on today was appropriated when?

>> It was appropriated in last year's budgets.

>> Zimmerman: Looking ahead for what will happen. We're in budget cycle here through the summer. Would I go to this area, what you're calling Nepa, to figure out what budget items will be requested for the next fiscal year?

>> That's correct. As we look forward to next year, we're in the design phase now, probably initiating potentially next year you might see some capital expenditures towards the construction of a facility. Could be another year out, depends on how long that takes.

>> Zimmerman: Since these are capital do they come out of bond issues that are initiated by Austin energy? Once these are budgeted, Austin energy would sell bonds or increase the debt in order to raise the money to put in this infrastructure?

>> Yes. The debt is kept separate between electric and chilled water businesses, but there eventually could be some debt related to that operation.

>> Zimmerman: What is the debt right now with the chilled water business?

>> I don't have that number with me. We can certainly get that for you.

>> Zimmerman: Probably tens of millions? It's not hundreds of millions, maybe tens of millions?

>> Probably.

>> Zimmerman: All right. Thank you, I appreciate that.

>> Mayor Adler: Any questions for 35 while we're here?

>> Zimmerman: I move adoption.

>> Mayor Adler: It's been moved to adopt item 11. Seconded by Ms. Tovo. All in favor please raise your hand? These opposed? It's unanimous on the dais with three members off the dais, pool, kitchen and Garza.

[Indiscernible]. Let's look at item number 56, which is the Mena matter.

[4:49:28 PM]

Someone want to move adoption of 56? Ms. Tovo does. Is there a second to that motion? Mr. Casar?
>> I have a question as well. Mr. Lazarus, I understand this was supported by the council committee and I've reviewed the materials. I wanted to make you aware that we did receive a couple of concerns from neighbors in the area who are concerned about traffic generated by the schools in that area. I understand this is in part to help mitigate some of that situation, but I wanted to request that there be some additional conversation with neighbors in that area. I think they're very willing to talk and work towards some traffic mitigation solutions there and I'm happy to share the contacts that we've received so that you would have those.

>> Mayor Adler: Thank you. It's been moved and seconded. Any further discussion?

>> Gallo: Just a comment. When you pointed out to us it is actually Williamson county that is paying the entire cost of this road, there are concerns about fee waivers.

[Indiscernible]. And the total cost that Williamson county will be paying to build and maintain the road is what amount?

>> The current estimate is somewhere between two and a half and three million dollars.

>> Gallo: Williamson county is paying two and a half to three million dollars and our fee waivers and participation is what amount?

>> \$4,500.

>> Gallo: And that is a property in the city limits? When I heard that this is one of the things that I am delighted to support. I just wanted to make that point because the fee waivers were a part of this and I wanted to make sure the public and those people watching understand that it's a very tiny portion of the entire cost of this project. Thank you.

>> Mayor Adler: No further discussion, we'll vote on this item. All in favor of 56 please raise your hand?

[4:51:30 PM]

Those opposed? It is eight-zero-three, folks off the dais. Actually, just two, kitchen and Garza. Thank you, sir. The next item we'll pull up is item number 58. This is the cost reimbursement element. Is there a motion to approve 58? Mr. Zimmerman. Is there a second? Mr. Casar. Anyone have any questions about the cost reimbursement item while we have staff here? Any conversation? Ms. Tovo?

>> Tovo: A super quick one. This is a project that was begun and then it was determined that they needed to -- they actually have done some of the work. Is that typical before we approved the cost -- the increase in the cost reimbursement? And as I understand from ongoing discussion with the staff it had to do with some of the environmental challenges they encountered out there on the site.

>> That's correct. My name is Bart Jennings with the Austin water utility. Normally the developer as we indicate to them very clearly that if they want to move forward in the project without getting additional funding that they're requesting from city council that they're taken in at their own risk. The project as I understand it in substantial completion.

>> Tovo: Thank you. You do -- you do let them know. You make them aware of that risk?

>> Absolutely.

>> Tovo: I appreciate that, Mr. Jennings.

>> Mayor Adler: Thank you. Further discussion on item 58? Ms. Troxclair?

>> Troxclair: I thought I would mention because this is an item that came through the public utilities committee and we had a pretty pro clown longed discussion about it and thank you so much for answering our questions, but we voted it out unanimously.

>> Mayor Adler: Thank you. No further discussion K all in favor of item 58 raise your hand?

[4:53:30 PM]

Those opposed? The vote is 8-9-0 with two members off the dais. Thank you. Let's see if we can keep this run of luck going. We have U.T. Of item 62, which is about resolution to expand the Austin downtown public -- Austin downtown P.I.D. Is there a motion to approve this item?

>> Excuse me, Mr. Mayor. State law requires us to hold a public hearing on this first. I don't believe there are any speakers signed up.

>> Mayor Adler: Okay. There are no speakers signed up. Is there a motion to approve item 62. Mr. Renteria seconds. Ms. Tovo? And there's a motion also to close the public hearing? Is there any discussion on this item? Those in favor of item 62 please raise your hand? Those opposed?

>> Zimmerman: Abstaining.

>> Mayor Adler: It is 9-0-1, Zimmerman abstaining and Garza off the dais. We also have a public hearing with respect to item number 64. 64 is to amend the parking area map.

>> Yes, mayor and council, Greg Guernsey, planning and zoning department. This is to add two neighborhoods, the highland park west and balcones neighborhood association and the southeast combined neighborhood area to the restrictions of having front yard parking on something eastern a driveway or paved surface. I don't believe we have any speakers for this item. This comes from the neighborhoods. It is their request as part of an annual process. And it -- it does not preclude someone from parking in their driveway or parking on a paved area in the required front yard or side yard.

[4:55:42 PM]

>>

>> Mayor Adler: There are no speakers?

>> I do think there is a gentleman here with the neighborhood association that may want to speak.

>> I think there was someone who signed in, but not wishing to speak.

>> Did you want to speak and talk about the neighborhood?

>> [Inaudible - no mic].

>> Mayor Adler: There are no speakers signed up to speak on this item 64. Move to close the public hearing? Any further discussion on this item 64?

>> Zimmerman: Could you elaborate a little bit on what this is? I didn't have a chance to dig into this. A little more background on what this is about?

>> It's an ordinance that allows for neighborhood associations or neighborhood planning contact teams to add a restriction that would prohibit someone from basically parking on the lawn in a side yard. This was typically the area that might be five feet wide on either side of the house of the front yard, which is typically the first 25 feet of a lot in most of Austin. It allows you to park on a paved surface like your driveway or to park on a paved parking area, but would prohibit you from just parking basically on dirt or grass. There is a map in your backup that shows all the parts of Austin which have already adopted this. And then there are two areas that are shown in red would be the areas that would be added. We also provide a notice both in Spanish and English. Once you take your action we will notify the residents that this has gone into effect.

>> Zimmerman: Thank you for that explanation. A lot of it is district 2, it looks like, councilmember Garza's district. Do we have any feedback from her or did she initially bring it to the attention of staff?

[4:57:45 PM]

>> I'm not aware of any concern that has been brought to the staff's attention.

>> Zimmerman: Okay. So you think it came from the neighborhoods, not from city council. Or came from neighborhood groups?

>> That's correct.

>> Zimmerman: Thank you.

>> Mayor Adler: Any further discussion on this item 64? Ms. Gallo?

>> Gallo: I just wanted to say thank you to the representative from the highland park west balcones neighborhood association. I was informed that at their November meeting their board took a vote and it was 7-0-1 to be included in the enforcement of the prohibition of parking, so I will be delighted to support their recommendation and vote for this.

>> Mayor Adler: Any further discussion on item 64? Those in favor of item 64 please raise your hand? Those opposed? It's unanimous on the dais with Ms. Garza off.

>> Thank you, mayor and council.

>> Mayor Adler: Thank you. Mr. Renteria, do you want to bring up item 51? Microphone.

>> Renteria: I keep forgetting about that. Sorry.

>> The housing and community development committee, we had this resolution that I submitted. The staff briefed this committee back in March, afterwards I submitted a draft resolution that we had opportunity to discuss at our April meeting. And finally digging deeper into different tools offered by the homestead preservation district and meeting with staff to specify the language, the committee voted unanimously to bring this resolution forward to the full council. The goal of the homestead preservation district is to increase home ownership, provide affordable housing and prevent the loss of homestead by low and moderate income homeowners.

[4:59:50 PM]

This can be accomplished by different tools including establish a homestead preservation reinvestment zone which reinvests property tax funds generated by rising property values in a given district to finance the creation and preserve the preservation of affordable housing within the same district. The homestead preservation district was authorized by state legislation that was introduced by representative Eddie Rodriguez back in 2005. Since then I have been an advocate for this type of action. There are so many impact that gentrification has had on the east side and other parts of Austin. I've seen a lot of families who have been displaced because they simply ran out of options. We're talking about making Austin more affordable and here we have a way to actually move toward that goal. And helping those who need it the most. I hope you will join me and the members of the housing and community development committee in supporting this item today.

>> It's been moved to adopt 51 so you have a second to this. Ms. Houston.

>> Mayor Adler: We have folks here potentially to speak on this matter. Let me see who is here. With respect to the amendments I'm not going to bring the amendment that asked to expand the area. I'm going to ask the committee to go ahead and take a look at that. We have an additional amendment which I can either offer or not, have the committee handle it. Mr. Renteria, one that would have the staff report back to the committee as to whether or not there is an additional planning device that would be available given that district.

[5:01:56 PM]

I don't know if you want me to just have the committee take a look -- take a look at that or whether you want me to bring that as an amendment.

>> Renteria: I do not have a problem with it being brought up. But if any of the other members are

interested.

>> Mayor Adler: That gets us to the people who want to speak against this. Hiwa [indiscernible]

>> I don't want to speak.

>> David Witte.

[Indiscernible], Charles Cloutman. Yes, would you like to speak? I don't know if -- you don't have to.

>> [Inaudible].

>> Mayor Adler: You are signed up and entitled to speak.

>> Go ahead.

>> Mayor Adler: You would have a couple of minutes if you wanted to address the council or let us know that you were for this.

>> I would just like to say that Charles Cloutman with the Austin housing repair coalition, the passage of the homestead preservation district and its funding would vitally help us to keep people in their homes, to repair them right where they're at and let them age in place. It's a huge tool for us. We could use in district 8 right now for the next year if this would pass. Immediate funding authorization in the next fiscal year.

[5:03:56 PM]

So we could start using that funding the following years. We are always underfunded and overwhelmed with the need so every help we can. And I'll be brief. Thank you for getting us in before 6:00, mayor. Thank you.

>> Mayor Adler: Thank you. Mark Rogers.

>> On his way.

>> Mayor Adler: On his way? Okay. Gavino Fernandez?

>> Mayor, before you start -- what's the time that it goes to committee?

>> Is David king here also? He's given you. You have six minute.

>> Good evening, council. My name is gavino Fernandez and -- with el Concilio, a coalition of mexican-american neighborhood associations. And also your immediate past district 12 director for lulac. As you well know, Travis county commissioners' court, Ron Davis, when the whole thing started, joined us because we have concerns for this whole process. And the one that really concerns us is the land development of this. And it still concerns us because any time government or quasi government entity begins to take land as assets and becomes part of the stock, as America the freedom that we're in, it's scary. It is very scary. So I think that while I agree wholeheartedly with the whole philosophy and concept of affordable housing, this tool is not the correct tool. I feel that there are other options and other tools in order to accomplish the same mission. As I was looking at the backup, one of the criterias for these districts is that you have a public hearing, that you have a seven-day notice and that there's a financial plan. I'm in support in this going on so that we can get that information.

[5:05:59 PM]

I would like to see current information, the backup has the information from 2012 or 2013. As you well know our area has changed dramatically. We have areas of blight and undeveloped. I have just come from Cesar Chavez and it's not undeveloped, blighted. How we're going to do that, I'm curious. I want to have this report bring to us, I'm a landowner, that option -- that opportunity of opting out. Because it is in the legislation language. However, city staff claims that they don't know how it's [indiscernible]. And they refer to the first three public hearing notice and financial plan as sufficient to meet that. I have concerns about that. But more importantly, the real nuts and bolts issue of this is -- from what I've heard is if you have land you have property where taxes will help you, but at the end of the day that land is no

longer yours. That's totally a far cry from home ownership and what home ownership and affordability is all about. I also read in the report and my comments are germane, mayor, because in this report it talks about funds that help contribute to affordability effort and throughout the community and it talks about the holy goal neighborhood funding. If you know -- I don't think it's gone to the committee yet, but the holy go neighborhood program that is in this area is going to reresurrect its effort again. And we have \$1.2 million to spend that. We've met with staff, they've come out with recommendations.

[5:07:59 PM]

We agree with them that they'll remove all the liens that shouldn't have been there to begin with. We agree that the loans will be grants. We only disagree that it should be 50,000 as opposed to the 20. We do not agree with them expanding the boundaries and we do not agree that these go to a non-profit. \$1 million goes to non-profit and we're losing right off the bat in administration fee. That's one home repair, replacement according to the cost. So -- it's 1.2 million and I know when y'all were discussing the flooding and you were discussing the issue of residents versus non-residents, the staff said this is city monies. We have flexibility. Holy mitigation funds for home repair is Austin energy revenues. Never was it federal monies. The only thing that happened is they used those funds into federal programs that put in more restrictions than we should. And what staff is bringing is nothing new. This is how they started when we first began. This is mitigation. That harmed our people, our health. I want to let you know that according to law, 9 damage a power plant has done to a community with all the toxic emission, there's no statute of limitation. So we've been working with this city jointly and that's why we feel real strong that the boundaries should not be removed. We should do home replacement because it was taken out. Do the math. 1.2 million is nine homes. That meets all the objectives and goals that we've all been hearing about affordability and housing. We have it right here. Go into this area, identify nine homes, replace them at 130,000 and guess what, you have that family and that community for 30 years. Non-forgivable loan.

[5:10:00 PM]

We talked to staff and they're wanting the use of 1 point two million and have it go to non-profits and amplify and make this 1.2 million like this was 100 million. I put on my commissioner's chief of staff and I asked staff why are you making something to simple very hard? Nine homes, 1.2 million, they're out of there. We will have families in the beario living there 30 years living on what we're going on. I see this as a anti-gentrification tool. And we have the power to do it. Just do it. It's there. The idea of doing cosmetic patching to these homes is not going to work. So I -- again, I do support the -- it going forward, but we need to bring more information and I would really like to see the property option, the option for property owners in this area to opt out. Thank you.

>> Renteria: The homestead preservation acts that three different tools in it. The homestead land bank program we're not using that at all. It hasn't been used. And the homestead trust -- land trust has been used by non-profit groups. But the one -- what we have before here has nothing to do with land bank. I just want to let you know.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: I'm a little confused. There's a lot of material in here, in this agenda item. What would you like the council to do today?

>> Well, today I would like for the council to pursue the -- because from what I'm gathering it's just to gather information and to identify which district by census track with today's Numbers qualify for this.

>> You're looking for more information.

>> More information, especially that one, councilmember Zimmerman, where it gives the landowner in

this area the opportunity to opt out.

[5:12:12 PM]

>> Zimmerman: Okay. Maybe you don't know. What would that look like in terms of an amendment to that proposal or is that even possible?

>> I'm hoping that that is part of the charge with the new information because in the backup it does talk about that and that it is vague. It is not specifically saying this is a process for opting out. According to city staff, by having the public hearing, doing notice and give them a financial plan and say here it is, hey, we gave you the opportunity to opt out and that's it. So I think that that is a very important part of it. So I don't know if that's something that needs to be amended or it's already inclusive in this.

Councilmember Renteria could probably speak to that.

>> Thank you. Ms. Houston?

>> Thank you, mayor. I'm not who, maybe staff, could speak to that. It's hard to see the boundaries on the map that they were given. If somebody could give me what the boundaries are of the homestead preservation district that we're voting on tonight.

>> Gina kopek with neighborhood housing. There's one district that's already established and then we're recommending three other areas.

>> So we know them as district abc and E, but I can't see what the boundaries of those districts are.

We're not talking about district a, right. This one is already established?

>> A.

>> So we're talking about B, C and D. >> Do you have B, C, D and E? Can we put this on so everybody can see it?

[5:14:15 PM]

You're so short. When district B comes online if you could tell us what the boundaries of that district and then C and then D that would be helpful. So district B, I believe this is, is the Riverside area. It includes montopolis. And generally it's 17371 in the river and just before I-35. And these are by census track, so each census track has to meet the median family income of 80 percent or below. And then the overall poverty rate. So the combined census tracks have to meet two times the city's poverty rate.

>> What year census is that information?

>> The study that was completed was using 2011 and 2013 data.

>> Thank you.

>> Mayor Adler: Any more questions?

>> Houston:.

>> Houston:

[Indiscernible].

>> Mayor Adler: I hate to have him standing here. Any more questions right now for Mr. Fernandez? Thank you. You can sit down. Thank you, sir.

[5:16:16 PM]

Can we go to the next one, the C? And C is the Johnston terrace go-valley neighborhood area, primarily. And it looks like the northern boundary is oak springs. And southern boundary is the river. Springdale to the west and generally 183 area to the east.

>> Houston: And E?

>> Mayor Adler: Okay.

>> 183 and Cameron road and is the furthest boundary. It's not really a square because it's census tracks.

>> Mayor Adler: With respect to this item I've handed out an amendment, one earlier that had several minutes on it and then one just got passed down that just has one paragraph. It basically asks staff to take a look at a planning tool that might be available in these districts and to report back to the committee as to issues associated with that planning tool.

[5:18:22 PM]

Does anybody have any objection if this were to be added to the issue.

[Indiscernible]. Is there a second to that? Mr. Casar. Anyone opposed to the amendment? All in favor of the amendment raise your hand? Those opposed?

>> Zimmerman: Abstain.

>> Mayor Adler: We have one abstention. Ms. Garza is off the dais. We're now debating item 51. Any further discussion on item 51. Ms. Gallo?

>> Gallo: I had a couple of questions of staff at our committee meeting.

>> There were some areas that had census tracks that were outside the city limits that we just eliminated.

>> So there wouldn't be a situation where you had a parcel of land, a tract of land that's half in one census area and another half in another census area that would be split.

>> That could happen, yes. I don't -- I don't know that we have that situation, but we could look at that.

>> And the reason is when we were talking about the lone star tif we run into where a small portion is included in what we're doing, but the entire tract is incorporated into it, so that was definitely worth conversation because it has a fiscal impact to the city if we're talking about the entire property being included in this or not.

[5:20:27 PM]

So that was one question, it sounds like you kind of answered. Then the other one is if there were state owned properties in the census track. And would they be assessed at zero value because they pay no taxes now or would we determine a value which the value would be if it weren't owned by state and they were paying taxes.

>> Public property would be valued at the zero. I mean, it wouldn't -- it wouldn't show up as part of the assessed value. It's what we look at for tif's.

>> Can when it comes back to us and we determine the percentage is that the time that we would want to address these two circumstances that we've run into before and now are more aware to ask those questions of?

>> Councilmember, Greg Canally, financial services. In terms of the two questions, the item from council today is to go off and come back to the housing committee with the draft ordinance. We will work through those issues. We will again at on the boundaries of the homestead preservation districts. We will go through kind of that technical gis assessments to determine if there are actual parcels from the appraisal district that are overlapping the actual boundaries that have been established by the criteria in the homestead. That's one issue. And we'll also be able to assess looking at the public properties in there.

[Indiscernible]. They would be part of this work plan that we would be recommending.

>> Okay, thank you.

>> Mayor Adler: Mr. Zimmerman?

>> Zimmerman: Thank you, Mr. Mayor. Another quick technical question that dove tails off

councilmember Gallo's remark. Thousand -- is it the same with, say, non-profits that have no tax liability, the 401(k)'s, if they own property and they -- the 501(c)3's.

[5:22:36 PM]

>> I'm not aware of any non-profits in this area. We would bring back that information and we can categorize the types of parcels that are in these Zones and help understand where they're existing tax [indiscernible]. Peel through those details as we bring that back to the committee.

>> Zimmerman: I have just barely scratched the surface on some much these rules and laws. I found them to be kind of complicated and I apologize to my colleague. I'm just not prepared to vote on it owing to the complexity. But thank you for helping out.

>> Mayor Adler: Ms. Tovo and Ms. Troxclair.

>> Tovo: I was just getting ready to vote. I'm very supportive of this and appreciate my colleagues bringing it forward.

>> Mayor Adler: Ms. Troxclair.

>> Troxclair: I think this is a question for staff. First of all, thank you, councilmember Renteria, for working on this issue and trying to come up with solutions for eastside communities. Can you help me understand what -- it is a complex issue, to councilmember Zimmerman's point. I'm trying to understand if there are some homes that are in these areas that are brand new, that are not necessarily in need of any kind of property tax relief. Are all properties [indiscernible].

>> Councilmember, yes. Under any -- once the city council creates a tax increment reinvestment zone, whether under chapter 373 a, which is what the homestead preservation districts would allow you or under other legislation, chapter 311, once you create a tax increment zone, all the properties in that zone become part of the zone calculation. And again what you do is you create a base year for tax increment zone and I crept Ali as the tax revenue grows in that property tax increment goes into the tax increment fund to fund the programs that council establishes as part of the ordinance for establishing the actual zone itself.

[5:24:51 PM]

>> Casar: Mayor, in response to accommodation's question, it -- to councilmember troxclair's economy. It took me awhile to look at all the tools in the legislation, one of them is tax abatement but one of them is started, is that correct? Tax abatement tools -- it fine. My understanding is we would not be giving tax abatement to all sorts of properties in an HPD. That would be a huge amount of tax abatements if they were to grant to everybody in HPD. I think what Mr. Da will canally was speaking to to was the [indiscernible], the increase in property values, some of the tax value would come to the city to fund different affordable housing initiatives, but not to make that house affordable. And so yes, there are going to be commercial developments, more expensive homes that are inside the district and that actually is in my view a positive thing because we are taking some of that increased property value and then using it for the good of affordability for those who need it.

>> Troxclair: Thank you. That was exactly my question.

>> To add to that, councilmember, what would occur as part of the work plan you would come back to go through the steps to create any tif, including the tif allowed under this legislation is that there would be both a financing plan and a project plan that would spell out all the details of both out the math works as well as how the funds could be used under the programs that are established.

>> Troxclair: Okay. And it would apply to existing -- once the district is created, it would apply to existing buildings and new buildings.

>> It would apply to again -- all that work will come back to the committee. First and foremost it will be required to be spent within the district and then part of the criteria about how it's spent, how those funds, once they are generated will be utilized for housing and preservation programs.

[5:26:56 PM]

>> Troxclair: But if there's not a building on the property now and somebody builds something on a piece of land, they're going to significantly increase -- the piece of the -- the value will go up so they will be contributing to the tax increment zone and that money will be put in a fund.

>> That is exactly right. If there is a piece of land right now with no value or has land value on it but improvements are built, if a tax increment finance zone is established, all of the parcels in that zone, we would analyze those year after year to see what the values are and compare them to the base year and all of that increment would then go into this fund to be utilized again for the programs that council establishes.

>> Troxclair: Okay. Thank you.

>> Houston: You have the powerpoint that we didn't get. Can you send that to me please?

>> Mayor Adler: Mr. Zimmerman for a quick question.

>> Zimmerman: When I looked at this a few months back, the policy issue that I had with the tif is there's a presumption made that the. The tif owes its growth to policy of the tif. It seems like there was a deliberate economic segregation. We'll take a section of properties, we'll draw a line around it, make the presumption policywise that increases in values are as a result of the policy or the program of the tif. From a policy point of view I ask myself how do I know that? If there's a piece of undeveloped land in the tif, there could be somebody that moved to Austin to work for Samsung, whatever, and they build an improvement or a house within the tif and it's got nothing to do with the policy of the tif and yet that increase in taxes goes to the tif.

[5:29:02 PM]

So the problem with it to me is maybe the increased value is because of tif policy, maybe it's not. It's just impossible for me to know. So I just had some problems understanding the rationale behind the tif.

>> Mayor Adler: Tif.

>> Mayor Adler: I look at this a little bit differently than that, and I recognize that concern as well. I think that what's happening with gentrification in this city is having an expense city-wide. We're losing people and we're losing communities in this city. Affordability is an important item on all of our agendas and all of our districts and it means different things to people in different parts of the city, but I think that we're kind of joining together to try and find those tools that might work and not every tool is going to work for everybody. And some tools are going to be weighted disproportionately to one district or to another district. This is a tool that's weighted disproportionately to districts where we're having the most significant gentrification and where we're losing people and to some degree it's coming at the expense of other districts in the city because we're earmarking tax revenue for particular areas. But I'm okay in doing that because I think, overall, it's important for our city to do that. And there will be times, probably later on this dais tonight, when there are other tools that are weighted differently, but I think we bring them all together into all of the tools we can. I think this took a lot of work on the part of the committee, and I'm real appreciative of that and I think we immediate to use any tool we can, and there will be another look at this when this comes back, with respect to the specifics. Any further discussion on this item? All right. That gets to us a vote on item 51. All in favor, please, raise your hand.

[5:31:03 PM]

Those opposed?

>> Zimmerman: Abstention.

>> Mayor Adler: Okay. It is 9-0-1, abstention, Zimmerman, Ms. Garza off the dais. It is now 5:30 so we're going to stop and move to music and proclamations. I would point out to you that it's not that I am not cognizant of the fact that there's some people if we could just take their issue they cog gone quickly. I have six of those in front of me, and we can't handle all six of them. We have, I think, 17 things left on our agenda for tonight, so I'm going to urge everyone to be watching their TVs and be back here when we're done so that we can continue moving forward. We're going to stand in recess until after music and prom makings.

>> Kitchen: Can I confirm we're going to take up taxi items next?

>> Mayor Adler: If I can work through four issues and let people leave if they're going to be real quick.

>> Kitchen: We have folks that may have transportation. Will that work for y'all? Okay. All right.

>> Mayor Adler: But I'll only call those if they're going to be just up and down real quickly and I'll ask for a sense of the dais before I do.

>> Kitchen: Okay.

>> Mayor Adler: Okay? We'll come back then at, say, 6:15.

[5:40:10 PM]

>> Mayor Adler: All right. Now we get to my favorite part of city council meetings. And if you've gotten here early you know why. This is where we do something which is so much pure Austin, that we break our city council meetings to be able to listen to and enjoy music, is one of the reasons why I love this city as much as I do. Joining us today is the digital wild. The digital wild is an indie electronic band making waves through the music scene. Having released their debut album "Into" in 2014 and toured nationally, the digital wild continues to push genre boundaries truly their own. They caught the ears of red bull and was offered to be red bull's sound select band. The band has played some of Austin's most notable events, including fun, fun, fun fest and south by southwest music festival. Please help me welcome the digital wild.

[Applause]

[🎵 Music 🎵]

[Music]

[5:42:25 PM]

.

[Music]

[Music]

[5:45:27 PM]

>> Thank you.

[Applause]

>> Mayor Adler: That was wonderful. Thank you. So for people that are here or are watching, what's your website in case they want to find you?

>> It's thedigitalwild.com.

>> Mayor Adler: Then if people want to buy your music, where would they go about doing that.

>> It's on eye tunes, on spotify, and Amazon, all that stuff. Here in town you want a physical copy it's at

Waterloo records.

>> Mayor Adler: If they want to come hear you play, where's your next gigs.

>> We're only two of five people. We have a big setup so we wanted to keep it simple for this. Full setup will be playing at X games on Saturday at 360 amphitheater at 12:30.

>> Mayor Adler: Great. Thank you. I have a proclamation. Be it known that whereas the city of Austin, Texas, is blessed with many creative musicians whose talent extends to virtually every musical genre and whereas our musical scene thrives because Austin audiences support good music produced by legends and our local favorites and newcomers alike, and whereas we are pleased to showcase and support our local artists now, therefore, I, Steve Adler, mayor of the live music capital do hereby proclaim June 4 of the year 2015 as the digital wild day. Congratulations.

[Applause]

[5:48:19 PM]

>> Mayor Adler: We have another proclamation. Be it known that, whereas the city of Austin recognizes the importance of the health and safety of its employees and its duty to provide a safe and healthful work environment and whereas the city also recognizes the city of Austin employee safety association and the city occupational safety and health network, coshn, as leading forces in employee safety advocacy and whereas the city of Austin employee safety association is coordinating and promoting city-wide activities related to the national safety council's annual observance of national safety month, now, therefore, I, Steve Adler, mayor of the city of Austin, Texas, do hereby proclaim June 2015 as employee safety month. Thank you so much.

[Applause]

>> Mayor Adler: Do you want to say something?

>> Yes I do.

>> Mayor Adler: Joann Cowan.

>> Thank you all very much. We have our eighth congress -- conference June the 30th and it's at the Parmer event center. Free to all city employees. We are doing outstanding things for the city. There's a group, about ten of us, that are so dedicated it's unbelievable. We do our real jobs and then we plan this conference for the all year, work our behinnies off. This is the eighth conference like we said. We have great exhibitors and training classes. It's free. These people behind me are my rocks. I could not work without them, could not pull this conference off without them. We are a small mighty, fierce group of employees for the city of Austin. Thank you.

[5:50:24 PM]

[Applause] .

>> Mayor Adler: I have the honor of bestowing a city of Austin distinguished service award. This award and certificate is presented in recognition of bill needles for his 33 years of service. His career with the austin/travis county ems and the city of Austin has been marked by dedication and leadership and unflagging commitment to serving our citizens. His tenure has been characterized by simple kindness, by compassion, and the importance of caring for his patients, thus providing a path for others to follow. His devotion to his work has been instrumental in strengthening the bonds between austin/travis county ems and every individual he touched.

[5:52:30 PM]

He has changed countless lives and our community and thousands of patients commend and thank him.

And this award is presented this fourth day of June in the year 2015, signed by the city council of Austin, Texas, by Steve Adler, mayor. Bill, congratulations.

[Applause]

>> Mayor Adler: I have a proclamation. Be it known that whereas one in four central Texas children live in food insecure households and during the summer many struggle to access consistent daily needs, daily meals, and whereas for the past four years the capital area food bank summer food service program has addressed child hunger by serving more than 115,000 free meals, 40,000 free snacks to area children, and whereas this summer, in collaboration with the housing authorities of Austin and of Travis county, ACC, the ymca and others, the food bank will be providing meals and backpacks of shelf-stable foods for the weekends at 50 sites throughout the Austin area.

[5:55:06 PM]

And whereas we recognize and support the capital area food bank of Texas as it strives to provide 1 million meals this summer, to children and families struggling with hunger and expenses at this time of year. Now, therefore, I, Steve Adler, mayor of the city of Austin, Texas, do hereby proclaim June 8 of 2015 as the kick-off of the capital area food bank's summer food service program.

[Applause]

>> On behalf of the board of directors and the staff at the capital area food bank, I just want to express our gratitude and reiterate how important it is for us to address hunger during these tough summer months for so many families. So we appreciate it.

[Applause]

>> Mayor Adler: I have the honor of giving out a city of Austin distinguished service award for his role at the Texas department of transportation and for being such a tremendous asset to the partnership between the city of Austin and txdot, terry McCooy is deserving of public acclaim and recognition.

[5:57:21 PM]

Throughout his long-time service at txdot, he has demonstrated extraordinary commitment to finding shared and cooperative solutions to the transportation challenges of the entire Austin region. His responsiveness to the community and creativity in resolving complex problems are the hallmark of his legacy. The leadership he has provided with important projects exemplified most notably by the ih-35 corridor development program will have long lasting impacts on improving the quality of life for central Texas. So I am the -- I have the honor of presenting this distinguished service award this fourth day of June in the year of 2015 as signed by the city council of the city of Austin, Texas, Steve Adler, mayor. And I think, rob, you have a special presentation if.

>> Thank you, mayor. Terry, for our very special transportation partner friends we treat you like one of the family so we give you your own street sign as well.

[Applause]

[5:59:32 PM]

[Applause]

>> Troxclair: Hi, I'm Ellen troxclair, councilmember for district 8, southwest Austin. When Nicky Tate, the president of the homeowners association contacted my office regarding Mr. Turney, I was so impressed to hear about all of the work he has done for our community. Dr. Turney was one of the driving forces behind the founding of the quarry park at convict hill and he's continued to be dedicated to taking care of our neighborhood park. We're blessed to have such an involved citizen in Austin. Citizen

improvement projects like this make Austin great. You will be so missed when you move out of the country this summer, and I just want to thank you for all of the work that you have done for our community, and I'm honored to present you with this distinguished service award.

>> Thank you.

[Applause]

>> Can I make one comment? I got this plaque from the homeowners association for running the park and Abigail gave it to me, total surprise, last Wednesday, was it? Yeah. So it's a really big honor. A week ago I didn't know about any of this. I've only been working on it for, like, ten years.

>> Troxclair: Well, thank you.

>> Thank you.

>> Troxclair: Thank you so much.

[Applause]

[6:02:09 PM]

>> Mayor Adler: I have a proclamation. Be it known that whereas the fathers of our community are a precious resource and they play a vital role in the well-being of our children, in their future and in the future of this community, and whereas river city youth foundation has been instrumental in producing a collaborated community event, the annual father's day parade and fiesta, and whereas the father's day parade and fiesta aims to increase the positive involvement of fathers in their children's lives, to foster success in school and personal growth, good citizenship and a brighter future, and whereas river city youth foundation, fathers active in communities and education face, Austin fire department, the plan police department, Google, the capital area food bank, and Lowe's are sponsoring the 15th annual father's day parade and fiesta on Saturday, June 6, 2015, that will include game and food and plenty of family fun, and the student winners of the fathers day parade and fiesta essay writing contest will be announced. Now, therefore, I, Steve Adler, mayor of the city of Austin, Texas, do hereby proclaim June 6 of the year 2015, as fathers day parade and fiesta day.

>> Thank you, mayor.

>> Mayor Adler: Thank you.

>> Thank you, mayor. It's a wonderful pleasure to be here this evening. How many of y'all are fathers or fathers to be?

[6:04:14 PM]

Raise your hand. We are not alone. I am so happy to be the sponsor of this event. I want to tell you something. There is no other fathers parade in Texas. Did you know that? And, mayor, guess what? We googled and researched, and we can't find another one except in a little bitty town up in the northwest that is a fathers parade. So are we keeping Austin -- what? We're keeping Austin well, okay?

[Laughter]

>> Yes. I want to say to all the dads, whoever you are, however many kids you have, whether you're an older dad or young dad, you are making a difference. When you get involved as a positive dad in your child's life, that child has a better chance of making good grades and having success in life. I want to encourage you, every single day, to do your very, very best. I know you work hard to support the family and to do your best to raise them well. Keep doing it because the results will change the world, and that's what's happening. I want to introduce very quickly a wonderful, wonderful dad from dove springs and also a grandpa and he was one of our first kids at river city youth foundation and he's grown up. Somewhat. George morales, come on glop thank you, Mona, thank you for having here here, mayor, city council, for recognizing us today. In the dove springs community, you know, we didn't grow up with

much. What we had was each other. Our parents are something we hold on to dearly, fathers especially. Back then until now, our fathers being more involved, our children's graduating school is something for us to look forward to.

[6:06:14 PM]

Thank you for all our fathers, grandfathers, mothers that are being fathers. Thank you so much.

[Applause]

>> Keep being a great dad. Now I want to introduce also Ross Wilson a member of our enforced an architect helping us to expand river city youth foundation.

>> Thank you very much, mayor Adler, city of Austin, thank you for recognizing river city youth foundation and the fathers day parade event this Saturday. A grant event. We hope you'll join us at Mendez, 11:00 A.M. Saturday to celebrate all the great fathers that we have in dove springs and throughout the city of Austin. Thank you very much.

[Applause]

>> Ross has a 2-year-old and one on the way due in September so you can give him a second round of applause for that.

[Applause]

>> I also want to introduce our friends from the fire department, come on up. Captain mark and chief, where you are, Matt ortuck.

>> Thank you, Mona, mayor. I just want to encourage everyone if you have an opportunity, the time, come out and join us this Saturday at Mendez middle school 11:00 A.M. You'll have a great time.

[Applause]

>> Same for me. Everyone come out and join us. You'll have a real good time. Thank you.

[Applause]

>> Also, we want to encourage our firefighter friends to bring the alarms because we really need them in dove springs. So behind me also are some moms, and I'm going to introduce them, [speaking non-english language]

[Applause]

>> Senorarenteria. As was mentioned earlier, moms have a role too in really making sure that our kids are bonded with their dads, and their husbands are at work still, they were not able to make it here, but they represent the moms out there that are going to be at the parade and marching sometimes for dads that are going to be -- and their wives are going to be there.

[6:08:29 PM]

So I want to thank you all for being here.

[Speaking non-english language] Gracias.

[Applause] And to the young men here with us, these are our stars, and these are the kids that are learning from you. You are role modeling for them their role in this world, in this globalized world, in this society, in this community, in this beautiful town. They are learning from you. Don't forget that. Everything you say, everything you do, everything you don't say, everything you don't do, they are watching. So I encourage you, keep being great dads, and make a difference. Thank you.

[Applause]

>> Tovo: Good evening, I'm mayor pro tem Kathie tovo, I represent district 9 and it's my pleasure to present this next proclamation to George Cofer, the executive director of the hill country conservancy, and we are celebrating national trails day.

[6:10:40 PM]

On October 2, 1968 president Lyndon Banes Johnson signed into law the national trails system act, and we're so fortunate to live in a city like Austin that has an abundance of wonderful trails and more coming online soon. And in upcoming years. About 30 years later, in the late '90s, the American hiking society launched its first ever national trails day and hundreds of organizations participated around the country. Here in Austin, more than 500 volunteers participated in national trails day over the last year, and the event included 29 separate projects and improved trails throughout the city. We're really grateful to the different organization that's participate in this effort, including the hill country conservancy, also the Austin parks foundation, Texas conservation corp and on behalf of mayor Adler and the entire city council -- hundreds of volunteers in central Texas to work on trail projects. Whereas the service day began in the Austin area in 1990, through a partnership initiated by rei recreational equipment, inc., and city of Austin public parks department, and whereas it includes participation from the Austin parks foundation, Austin ridge riders, greenbelt riders and hill country conservancy and whereas June 6 is national trails day and the city of Austin wishes to recognize it locally, now, therefore, on behalf of Steve Adler, mayor of the city of Austin, Texas, I do hereby proclaim June 6, 2015, as national trails day. Thank you. Congratulations.

[Applause]

>> Thank you. Thank you, mayor pro tem. We certainly appreciate that recognize, and thank you, mayor Adler. National trails day is indeed a wonderful event with a long rich history in Austin and across the nation.

[6:12:44 PM]

This Saturday, June 6, more than 400 volunteers will be working on your parks and your trails throughout the city, followed by a great volunteer appreciation picnic at the park so we're going to go out and work hard, continue to maintain the green spaces and our partnership with the city of Austin and we're just grateful for all the participation and support. Thank you again.

[Applause]

[6:15:48 PM]

[Recess]

[6:32:44 PM]

>> Mayor Adler: Council, are we ready to go ahead and start? It is five -- 6:30 we're going to reconvene the council meeting. We're going to go ahead and move right into the taxi issues, which are items 52, 53, 54, and 55. Ms. Kitchen, you want to lay these out for simultaneous.

>> Kitchen: Okay. At this point I will just explain the issues and what we're going forward with and hold off on actually making a motion until after our speakers. Okay. So just thank you all for being here. And I appreciate everyone's patience and participation over last couple months. Tonight we are at the point where we are at our third reading, third and final reading on the franchise agreements ordinances. And we are also on our third reading for the code amendment changes that go -- that we passed on second reading about a month ago, I believe. So as a reminder, on second reading, we passed code amendments that allowed for the chauffeurs' license to belong to the driver. We also passed code amendments that provided that additional permits would be based on performance rather than the existing formula. We also passed a separate resolution directing the staff to come back with us, come

back to us with the creation of a driver-owned co-op. So that's just a reminder of what we've done up to now. So, you know, as a committee, and also as council, we were part what have we've done when we first started down this road is talked in terms of some goals.

[6:34:55 PM]

And from my perspective, I thought it would be helpful to just repeat those goals. One of the things that, as a committee, we were trying to achieve was to look at our regulatory environment and to think in terms of a level playing field, which basically just comes down to fairness, thinking in terms of fairness for drivers and for taxicabs. And when we get to that point at the committee for tncs. So we talked in terms of that. We also talked in terms of how important it is that we make sure that our taxicab service is accessible for persons with disabilities. We also reiterated our concern as a committee that we were focused on regulations and requirements and those sorts of things that really protect the health and safety of our drivers, of our customers, and of the citizens. So it was those kinds of policies that were driving us. So what I'm going to do is lay out the proposed changes for third reading, and then we will -- then we'll have testimony. Again, since this has been through committee and we've had several hearings and opportunities for public input, our hearing today will be from -- we'll have eight speakers, and then after that we will make a motion to move forward with the third reading items, and we'll have our discussions as a council at that time. Of course we can ask any of the folks that are testifying if we have any questions, and we can certainly bring them back up afterwards as we talk through particular issues. So first we have three items, items 52, 53, 54, which are the franchise agreement ordinances. And what is proposed in -- what is proposed in the materials for today is first to extend the requirement to have a computerized dispatch system to all franchises.

[6:36:59 PM]

Currently that requirement is in one of the franchise agreements and not in all of them. And, again, that is an item that we can talk about this further, but the reasoning behind that is that's considered fob important, particularly for -- to be important particularly access for persons with disabilities. Second we've got a time period of five years proposed for the extension of each. Third we have a proposal that @each franchise will be allocated an additional 50 permits in year one of the franchise and after that time any increases in subsequent years is based on compliance with performance standards that will be approved by the city council. And, finally, we've deleted any maximum number of permits in the franchise agreements. Turning now to the proposed changes on third reading to the code, first we have a set of changes that are -- the purpose of which is to improve access for persons with disabilities. And the first is a requirement to accept dispatch service requests. And what that requirement says is that while in service a taxicab driver must accept service requests from the driver's dispatch terminal when the driver's taxicab is determined by the dispatch gps to be the closest taxicab to the pickup location. What we heard from persons with disabilities is that the most difficulty they encountered was the ability to actually be picked up. Second, under -- second item for access for persons with disabilities is standards to qualify for the special franchise permits. And those standards include standards related to the average response time at seven minutes and standards related to ensuring that the -- that the responsibility to provide services spread across all of the assemble vehicles and not concentrated in just one or two.

[6:39:02 PM]

And, finally, that the department would develop penalties for failure to perform to these standards.

Again, all of these items are -- the purpose of which is to address a very serious problem that we're experiencing in the city, and that is the ability for persons with disabilities to be able to access taxicab services. The second major area of code changes has to do with the number of the taxicab permits. As I said before, on second reading, we adopted a change where performance measures would determine the number of permits that a taxicab franchise was entitled to. And so we added two requirements, understanding that the staff would also come back to us for council approval with additional proposed performance standards. And the two that are in the code right now are first compliance with the provisions I just read out that are -- that's designed to ensure access to service, and the second was just recognizing that some of our franchise holders may have contracts for transportation services to provide service to healthcare programs and that that should be a performance standards that could result in additional permits. So we also conformed the code by amending a section of the code that had reference to a permit cap. As I mentioned before, we have a -- we're proposing to amend the franchise agreement to take off the permit caps. Finally, we do have proposed due propose related changes that are -- relate to factors that the city should consider when making a franchise recommendations. And those include the accuracy of the applicant's data reports, the quality of dispatch services, compliance with the Ada, fuel efficiency and any and all fees the applicant charges the driver.

[6:41:06 PM]

I -- charges the driver. I want to say also I'm expecting some amendments that relate to due process and lease caps, and so we will be taking that -- those issues up after the testimony, but I am expecting councilmember tovo to offer an amendment related to those two items. I should have said this at the beginning. My apologies to my committee members, but we did vote to bring these proposed -- these proposed items forward with our recommendation to approve with the caveat that councilmember Zimmerman had some concerns about a few of those items and I'm sure that he'll speak to those when we get to the point where we're discussing the provisions. So that's all I have right now before we hear testimony. Are we ready to move?

>> Mayor Adler: We'll go ahead, then, and take public comment. This is an item that has been to committee and back, and to committee and back and to committee and back.

[Laughter]

>> Mayor Adler: So we're going to -- consistent with the ordinance we're going to have eight speakers, each will speak for two minutes. And with the allowance of my colleagues on the dais we have eight identified by the various interested parties and we're going to follow that list. So without objection, we'll have eight people. We'll begin with Dave Passmore, ed cargbough is on deck. Is Dave Passmore here?

>> Good evening, mayor, council, Dave Passmore, representing the taxi drivers association. Today I would like to speak once again to two of the items that are on the agenda.

[6:43:11 PM]

The lease cap and the standard contract due process. Just a second for me, please. I first would like to start out by saying that the taxi drivers association is in opposition to the allocation of any permit to the franchises. For the last three to four weeks, the management of yellow cab has been circulating a petition saying no more new permits. However, the reason for no more new permits based on management assessment was that there wasn't enough revenue in the industry to support additional permits 37 so I just wanted to point that out to start off with. Now, I'll switch over a little bit over to the Austin cab. Over the last few years we have not been turning in the required data or if it's been turned in it's been late and staff can attest to that. So I'm just here to ask the question, what is the reward for not being able to live up to the expectation of the city code and what franchises are expected to do in

order to continue operating as a legal entity in the city of Austin? The management of Austin cab has been leasing and subleasing permits for several years. And it's not really in control of running the entire business, but that there is some other entity that is controlling and running these permits. Again, I'll ask, I can say with confidence that Austin is operating less than at least 30% -- 30 of their permits.

[Buzzer sounding]

>> Is time up?

[6:45:13 PM]

So the allocation of additional permits to folks who are not even managing their own business is something of concern. Now, if there is allocation for a medicaid contract, we are not in any opposition to those. I want to be clear on that and I don't want to spend most time and waste the council's time.

[Applause]

>> But if there's any questions we'll answer it. Thank you very much.

>> Casar: Mr. Mayor? Mayor? I did have one question. The applause was so vigorous my microphone couldn't get through.

>> Yes, councilmember Casar.

>> Casar: Mr. Passmore I noticed you discussed yellow cab and your association's position there and Austin cab. We do have three franchises up, so I didn't hear any comment on lone star.

>> Well, I didn't actually name lone star, you know, by name, but I got the information that they're asking for additional allocation of permits to fulfill a medicaid contract. I'm not so versed on lone star, to be honest with you, so we're not in opposition to anything that will help a disabled community or that is for some medicaid contract. We're not in opposition to 20 or 30 permits for lone star.

>> Casar: Thank you.

>> Yes, sir.

[Applause]

[Laughter]

>> I know I only have two minutes, mayor so I tried to utilize my time. I would like to be welcome every time I ask for the opportunity to speak.

>> Mayor Adler: And you are couple quick questions.

>> Pardon me?

>> Mayor Adler: Couple quick questions. Following the process as the committee has been spending a lot of time. I knew where it was when this started off. Everyone has done a lot of work, including you and the committee and the other stakeholders involved in this process.

[6:47:13 PM]

There were some things that were already passed, and I think are new things that will be new when this is passed but are not, I think, in dispute for us or being talked about here tonight. I want to make sure that I understand them. With respect to the drivers association, the -- having the chauffeur licenses stay with the drivers, that was an important goal, was it not?

>> It was, mayor. Because the city are the ones that actually -- offer sponsor that you have to go through a sponsor in order to obtain this permit because we do go to the city transportation department. We provide our own criminal background history and driving record. So we didn't see the necessity for a sponsorship with that. If I would like to drive for another company, my company would have to sign a document saying that I'm released to go drive for another company, when I would obtain a chauffeur's permit that is legal and licensed.

>> Mayor Adler: Okay. This would give you then the practice or for a driver to be able to move with that

license.

>> To move from each franchise.

>> Mayor Adler: Okay.

>> It also allows the franchises to compete for the better drivers that are in the industry, mayor.

>> Mayor Adler: It makes the franchises compete.

>> Yes, mayor.

[Applause]

>> Mayor Adler: And then requiring the permits to meet certain performance requirements is also something that you had sought.

>> This was asked for, yes, mayor.

>> Mayor Adler: And then, finally, the movement toward the first ever -- hopefully to come into existence and to work, drivers-owned co-op is something that was important to you.

>> Extremely important, extremely important.

>> Mayor Adler: Okay.

>> Whatever permits are allocated for the co-op is also important and we'd just like to address that, not that I want to take the time to deal with that right now but the co-op is very important to the drivers.

>> Mayor Adler: All right. Thank you very much.

[Applause]

[6:49:13 PM]

>> You're welcome.

>> Mayor Adler: Ed Cargbough. Is he here? Okay. On desk alltar, Houssein. Sir, you have two minutes.

>> Good evening, mayor, council, thanks for your time this evening. My name is Ed Cargbough, president of Yellow Cab Austin. I have here with me Jerry Harris, Yellow Cab's attorneys, represented us for 30 years and so as we get into -- as we may get into some questions that may be potentially legal questions, Jerry and I are available to answer those questions. I'm happy to announce that we support what's currently written as staff and the mobility committee's recommendations that you have before you today. The process of, you know, working through all of that was we started in February with our applications on the issue of accessibility, I think we've done a pretty good job and there was really good conversation about that yesterday on -- you know, in terms of issuing the chauffeur's licenses to the drivers we certainly have no objection. We also support the recommendations to allocate permits based on performance measures that are approved by the city council. We actually were part of that conversation when it started back in 2011. We're in opposition to potential amendments regarding lease caps because it does interfere with our ability to finance the business appropriately in this significantly more competitive environment. Our rates are in line with the industry and they allow us to invest in technology, marketing, and insurance to operate a financially sound local business. We've been pumping more money into improving our product for the drivers and the consumers, the passengers. We are amenable to giving our input --

>> No.

>> No.

>> We are amenable to giving our input regarding any due process procedures established by the city regarding spending or canceling chauffeur's licenses.

[6:51:21 PM]

Our main concern is the safety of the public in regards to having safe cab drivers and I would also point out that the contracts that we currently have with the drivers, the city of Austin's legal department does

review and, subsequently, the city requires us to indemnify the city.

[Buzzer sounding]

>> So ultimately there's a negligent entrustment issue if we are forced to continue to provide services to drivers who may -- who we don't think are, you know, worth the risk of insuring because at the end of the day the accountability and the responsibility rests with us, and it doesn't sound to me like anybody else is willing to take that responsibility.

>> No.

>> No.

>> Mayor Adler: While we -- it's real important that we not do that.

[Laughter]

>> Mayor Adler: While people are speaking. We have to be respectful, as everybody is to each other, just so we maintain a little bit of decorum and pleasantness in the room. Mr. Cargbough, do you want to finish your thought?

>> Yes, sir. So as y'all have those conversations and now Jerry and I are available to answer any questions you may have.

>> Mayor Adler: Thank you very much.

>> Thank you.

>> Mayor Adler: Next speaker. Questions? Ms. Kitchen.

>> Kitchen: I just wanted to confirm since our previous speaker spoke to the additional number of permits and mentioned yellow cab, are you at the point where would you want an additional 50 permits?

>> The conversation that we've had is what this change does, is it creates the space to put more permits on the road when that time presents itself.

>> Kitchen: Okay.

>> As we've communicated to y'all in our letters, you know, at this point in time we are concerned about the market.

>> Kitchen: Okay.

>> Mayor Adler: Thank you. Next speaker is -- I'm sorry. Ms. Tovo.

>> Tovo: Thanks. Mr. Cargbough, can you give us a sense of how often yellow cab raises its fees?

>> Over the course of the last 12 years, we've raised our lease five times, we've raised our lease 17% in the last 12 years.

[6:53:26 PM]

>> Tovo: Okay. So 12 years, five times, totaling --

>> \$45.

>> Tovo: Sorry, what was the percent?

>> 17%.

>> Tovo: 17%, okay. You shared those numbers with me yesterday but I wanted to be sure I had them accurate. Thank you.

>> Mayor Adler: Go ahead.

>> Kitchen: Did you just mention a dollar amount? Did I hear you say that?

>> Yes.

>> Kitchen: What was the 45.

>> \$45 is the amount that our leases have increased between 2003 and 2015.

>> Kitchen: Okay. Thank you.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: When you say "Leased" you mean all of the fees? It's my understanding that not all the

cab franchises do their leases and fees exactly the same way. So when you --

>> We lease -- sell to the drivers. So when I'm referring to the lease I'm talking about that bundle and those are the elements they need to run their business. Our business is to sell services to those drivers. Other fees that people may be referring to are not items that drivers have to acquire from us. So we do create opportunities for drivers who can't get financing to buy a car, where we'll assist them. Drivers don't have to get financing from a car for a car from us. Drivers don't have to use the maintain and body shops we refer to. All the fees are things they don't have to get from us, absent I will say we do have a \$5 paid to help build up the driver's deposit but all of those funds go back to the driver if they leave and have never gotten in an accident. Additionally, they do pay into a deposit to collect funds so they can pay -- taxes -- the drivers have to get from us.

>> Mayor Adler: Thanks. Thank you. Next speaker is altar hussein.

[6:55:35 PM]

And Joan and Joan is on deck.

>> Good afternoon to everybody. My name is Mr. Hussein, I drive for Austin cab. Last time, I spoke in front of the mobility committee, if you remember my face. I got a full card from Austin cab ownership. That's much freedom we have here. 39 men are here with me. This is the one thing. The second thing, Monday, last Monday, I went to the Austin office to pay the lease. They hold me in their office. They took the meter off the vehicle because I speak true. They make me --

[applause]

>> They make me to apologize if I want to get out of their office. This kind of environment we are working. I sent email, every one of you with the detail. A few moment ago, we saw the children and parent talks and we have children. We have a family. Some of driver we are doing mother and father job. And we live in this environment. We want you to recognize that. Yesterday, I heard from some councilmember the label is not important. Who clean your backyard? Who clean the street? We are the one who work for you. And we're not -- anything. I don't know.

[Applause]

>> Mayor Adler: Thank you. The next speaker, Joan cabali, on deck, bijou Matthew.

[6:57:49 PM]

>> Well, let me take the recent criticisms first.

>> Mayor Adler: Would you point the microphone a little bit closer to you?

>> Yes. I'm taking the thee criticisms first. One was that only 30% of our fleet is managed by the company. That is not true. 93% of our fleet is now owner-operated. In other words, the drivers own the cabs. So that's one thing.

[Groaning]

>> And this issue of the data being incorrect, or not turned in properly, I don't -- didn't see any proof of that. And we have been under a special -- I think I mentioned this in one of our meetings, that the company that we hired to do our dispatch system has been very disappointing. And Monday, this coming Monday, we're going to have a new system up and running. So -- and I apologize if someone tried to bully that driver who was here. That is not correct behavior. And I can only apologize. That is not a company policy. In terms of the amendments that mayor pro tem tovo brought late yesterday, we had heard some rumblings from the drivers here and there during the other readings and during committee meetings. But we really were slapped on the back of the head when we saw the new amendments. Now, I, myself, had thought that having an independent arbitrator would be the right thing to do, but I think this needs a lot more discussion.

[6:59:57 PM]

And we should not be discussing complex and difficult --

[beeping]

>> Issues in the council. This is not something that should hold us back from the third approval of our -- getting our franchises renewed. A lot of money is at stake, and equipment. So, please, assist us. Thank you.

>> Mayor Adler: Thank you.

>> Mayor.

>> Mayor Adler: Yes. One moment.

>> Yesterday you provided many me with information. Could you provide it, about fees at Austin cab?

>> Okay. I mentioned this somewhere. During the recession, we never increased any fees for our drivers. So this is, like, from 2008 up to 2013. And so, each franchise has a different model. We are a small, family company. I would say, lone star has a lot of people from the homeland. But they have a variety of drivers, as well. But their model is different from ours. And, of course, yellow cab is a multicity company. And so, we have different models, actually, of running. And what was the question again?

[Laughing]

>> Tovo: Sure. So the question was, you said during the recession you did not increase your fees.

>> Yes. We went up \$15, from 235 to 250. And so, you know, I think all of us in our own way are sensitive to the constraints, the hard work that the drivers do.

[7:02:01 PM]

I can't imagine a city official being able to set fees. I mean, I might get -- if they say our fees should be the same as yellow cab, or we can go as high as yellow cab, well, that would hurt the drivers if we did that. So -- and when the drivers have their own cooperative, they might feel the same pinch that we feel. Yes.

>> Mayor Adler: Matthew bijou.

[Applause]

>> The mayor and the council, my name is bijou Matthew, from the national taxi workers alliance, part of the flcio. I want to start by saying that we want the lease cap. We want the standard contract. Drivers deserve what I would call simply a leveling of the play field. Right now, the relationship between the driver and the franchisers is deeply skewed. Drivers don't have any part when they walk into that place. They have to sign what they are given. They're not allowed to challenge the number, nothing. And all we are saying is, we get a standard contract, a lease gap, some economic stability, and some job security into place. That is all we are asking for.

[Applause]

>> I won't go further into the details. I'm sure it will come up in discussion. They passed more. And we will be available as a team to answer any questions on those two issues. What I do want to address, however, is the rule that's coming to focus suddenly around a driver being forced to pick up a dispatch if he or she is deemed as the closest to the location of a passenger.

[7:04:05 PM]

We were in support of something like that because we thought it was only wheelchair accessible cabs. We fundamentally oppose it on the grounds of being independent contractors to have it applicable for all drivers.

[Applause]

>> It's very simple.

[Applause]

>> It's very simple. The driver is on an elevated highway. There's a traffic jam. You may be 20 meters away, but it may take you 25 minutes to come back. A driver may be on the way to pick up a special. The driver survivor special, regular customers. You can't jeopardize that whole business that drivers and the business model are built around.

[Beeping]

>> Finally, my other friends, Dave and altar have spoke on to the fact that neither yellow nor Austin deserve a single more permit.

[Applause]

>> Let me just -- allow me ten seconds to respond to something that the two representatives of the two companies said.

>> Mayor Adler: Go ahead and wrap up.

>> Ask the question, who is Zack? Ask the question, who is Emma? Ask the question --

[applause]

>> Who is daud? These are all subcontractors of Austin. They control more than all the contractors control between 130 to 150 of the 187 permits. They say they only increase fees by \$35. All the hidden costs. If a driver wants to get his car painted, he has to get it done at an eelevated cost, or at a repair shop you can't find. You can't force drivers to use inside the company's shop. That's what we're faced with.

>> Mayor Adler: Okay.

[7:06:06 PM]

Thank you.

>> Thank you.

[Applause]

>> Mayor Adler: Solmon.

>> Mayor?

>> Mayor Adler: Yes.

>> I have a question. I think this may be for councilmember kitchen. I think I read the concern our speaker just raised in one of the correspondents. As I understand, the concern is about response time. Is that applicable to all vehicles, or just the accessible vehicles?

>> Kitchen: It is applicable to all vehicles.

>> Tovo: Oh, it is? Okay. I thought it was just accessible.

>> We were under the same impression.

>> Tovo: So it's not the one that's on our sheet as 1b .1, it's a different provision? Okay, thank you.

>> Any questions?

>> Mayor Adler: Thank you.

>> Thank you.

[Applause]

>> Mayor Adler: Karina Malone is on deck.

>> Good afternoon, mayor, and councilmembers. Solomon, lone star cab. Speaking in support of the mobility committee's recommendations. Pretty much, for the accommodation regarding the five years term of the franchise renewal and additional permits. I also support recommendation in the change of the card, as presented, as proposed. The only comment I have is still on the proposed amendment of copying the lease fee. Which would -- special fees are determined by the cost of operation. Especially

insurance when it comes to lone star. We are self-insured, and every settlement came out of our pocket.

[7:08:07 PM]

So there was an instance where a single accident cost us over \$300,000, a year ago. So, it's for our best interest to charge lesser fees and treat our drivers fairly in order to retain those drivers and work for us. So, I just have where we would start, what is the number to start the cap, that fee, and where would it end? So, today, maybe currently we only charge the lowest fee, compared to the other cab companies. And if you cut, it's going to hurt us. And that's my comment. Thank you very much.

>> Mayor.

>> Mayor Adler: Yes.

>> May I ask you the same question I asked the other two representatives from the franchises, can you just provide us with a little information about how frequently you've increased your fees?

>> We haven't increased a lease fee for the last seven years. We start with 250. And still we're charging 250.

>> Tovo: So in at the last seven years, that has remained constant?

>> No!

>> No!

>> Tovo: Okay, thank you.

>> Shh.

>> Tovo: Are there other --

>> There's no other fee. You may be talking when we start operation. Just to attract drivers, we running a promotional --

>> Shh.

>> Period of starting the 200.

>> Tovo: I see.

>> And we are just -- 250.

>> Shh.

>> And the last seven years, we haven't increased from that.

>> Tovo: I appreciate that. Thank you.

>> Mr. Mayor.

>> Mayor Adler: Yes, Ms. Kitchen.

>> Kitchen: I need to clarify my response to a previous question going back to the concern about the requirement to respond if you're the closest taxi cab.

[7:10:07 PM]

I want to clarify that this language is only clarifying existing language in the code. If you'll look at page five of the item number 52, the existing code says that while operating a taxicab, a taxicab driver shall respond to, when the location for pickup is within a reasonable distance of the taxicab. At the appropriate time, we can ask the staff to provide some more clarity around this provision. But basically, this is not a new requirement. It's a clarification, and it ties back to dispatch's gps, which ties back to the requirement I talked about earlier with the franchise owners having a gps system. So, we can get to the details of that after the testimony, but I just wanted to clarify that this is not a new requirement.

>> Mayor Adler: Thank you. We'll continue on with the next speaker. Karina Malone. Jennifer mcfae is on deck. .

>> Good evening, mayor, mayor pro tem, and councilmembers. My name is Cana Malone, the president of oak creek tenants association, and a proud leader with Austin interfaith -- franchise as a driver's

cooperative. Austin interfaith supports only a temporary extension of the taxicab franchise for the current taxicab franchise holders. Five years is too long.

[7:12:10 PM]

[Applause]

>> Unless lease caps and drivers' protections are otherwise addressed in a timely manner. The city should not grant additional drivers permits -- to benefit the taxicab drivers is finalized. We urge the city to vote today and support the amendments to give taxicab drivers due process, worker protections through contract requirements for a grievance and appeal process and other protections. Lease caps are necessary, and amendments -- in the amendments because there is no incentive for cab companies to provide better dispatch and other services to drivers. All taxi company income comes from the bundle leases and fees they charge drivers. Cab companies do not receive a single penny from the cab fares charged to customers. Because cab drivers are required to pay companies 13 to \$17,000 a year or more for permit fees, and also pay expenses of gas, cab repairs, drivers' insurance and others, it leaves very little per hour for income. While we heard testimony about leases and what the market may be --

[beeping]

>> Do we want to continue to implement lease prices that put these cab drivers in poverty and lower their choices for housing and other things that their families need?

[Applause]

>> Last but not least, Austin interfaith also urges that taxicabs be protected from any retaliations while they move forward to establish a drivers cooperative and continue to work on fair working conditions for others. We understand it may be the policy of these taxicab companies to not re-tallyacht, we've heard testimony that they do.

[7:14:14 PM]

And we ask that the council continue to move forward and hold these cab companies accountable in the event that they do.

[Applause]

>> Austin -- I'm going to wrap it up, you have my word. We're a coalition of 40 member institutions. We are the individuals that teach and organize the teachers and other individuals, other stakeholders in this city. We had a leaders' meeting last week, and we unanimously approved this position. Thank you very much.

[Applause]

>> Jennifer is the next speaker. Oh, questions. Ms. Gallo.

>> Any questions?

>> Mayor Adler: Ms. Gallo. Hang on.

>> Gallo: Yes, I do have a question. Thank you for being here. So, if part of what we do is to allow the drivers to hold their own chauffeur's license, what would keep them from being able to move their work from one company to another?

>> At this point, I don't have a recommendation for that position.

>> Gallo: That's not my question. My question is, if we change the policy to that the drivers hold their own chauffeurs license, it's not held by the company, okay, it's not held by the company, is there anything else that would keep the drivers from being able to move to a different company at their own free will?

>> Again, councilmember Gallo, I am not in a position to answer that question, as I am not a taxicab driver. So --

[applause]

>> I don't want to state a position on what would benefit and not benefit them strictly regarding the chauffeurs license.

>> Gallo: My question is, if the drivers are allowed to hold their own chauffeurs license, is there anything else that would keep them from being able to move from one company to another?

[7:16:22 PM]

>> There is currently no other restrictions that is holding drivers from moving from one company to the other. The only thing is that the chauffeur permit requires a sponsorship by the franchise for you to be able to go from one to the other. We are asking that that be removed so that the drivers have the free will to change from which ever company that provides the best service was to them.

>> Gallo: I think that's what we've been doing. I wanted to make sure there was nothing else to keep the drivers from being able to move from one company to another if they wish to change their employer.

>> There's two other things I want to address. If the driver has invested into a franchise finance vehicle, that vehicle will be taken from the driver if he cannot make the payment -- if he wants to go to another company, he's not allowed to take the vehicle. So there are other restrictions that can prevent the drivers from doing that, also.

>> Gallo: Okay, thank you.

>> Thank you, councilmember Gallo.

>> Mayor Adler: Ms. Kitchen. No, nothing else?

>> Casar: Mayor.

>> Mayor Adler: Mr. Casar.

>> Casar: One other thing to add in response to councilmember Gallo's point, which highlight some of the complications of having a system of permits -- I'm glad to see it's going towards more of a performance measure model. If a hundred drivers at one company wanted to move to another because the fees at company Y were up significantly, that would be impossible under the current system given the permit -- the different permit application caps on each of those companies. So obviously, if a company only has ten or 20 free permits, you wouldn't -- I think, on the individual driver level, you could probably see more of that movement under this new system. But certainly not --

>> That's a really good point. That was something that was very much of a concern to us. So in the proposed language, what you will see is that in the first year, each company would be offered an additional 50 permits.

[7:18:30 PM]

And after that, the permits would be unlimited and it would be based on performance. So, if a hundred people wanted to move over to a company at one time in the first year, after this new franchise goes into agreement, 50 would be able to go over because the company could increase the number of permits 50. And then after that point, 500 people could move over to that company.

>> Casar: Mr. Mayor, can I ask for a point of clarification?

>> Mayor Adler: Go ahead.

>> Casar: Under these performance measures we're considering, the city would grant a certain number of permits based on performance measures, not based on how many people wanted to drive for the company?

>> That could be one of the considerations. We haven't finalized the performance measures. We have two proposed in what's before you today, but the staff will be bringing back to us a set of performance measures for us to approve. So, that certainly could be one of the performance measures that we

consider.

>> Casar: Thank you so much for that point of clarification, because that is helpful and speaks directly to that point. So, thanks to both of you for working on that.

>> And I think the baseline of what we were trying to do is to not overburden the companies with regulations, but make sure we allow the drivers the ability to move from company to company easily so that that would encourage the companies to provide the best benefits and the best plans for the drivers in the role models.

[Applause]

>> Mayor Adler: Okay. I'm sorry?

[Off mic]

>> Mayor Adler: I know. When we're done up here. Thank you for your patience.

>> Jennifer, we support the proposed changes. I wanted to make sure that you know that the gps requirement is very important for us, because right now we're not being picked up.

[7:20:31 PM]

It's not even a matter of not getting good service. We're not getting any service at all. So people are being left behind. People with disabilities are not able to get reliable transportation to and from doctors appointments, to and from fun things, to and from work. We hear a lot about the money that's at stake for cab drivers, but what about the disability community? If we're not reliable workers and members of the community, we lose out on quite a bit. Everyone loses in those instances. Part of the discussion yesterday in the subcommittee was why can't you get the same type of services on capital metro. Well -- or there were a lot of questions about metro access to be specific. And the thing is, is that not everybody who's disabled is eligible for metro access. And buses don't always go where you need to go. If you want to go out on a date or have some special occasion and go out to, a bus may not be right for that instance. So, we're talking about options for people to be able to live in the community and have a little spontaneity. So that's what we're talking about. A fee for service where they pick me up, I give them my money, and they take many where I want to go. It's that simple. The reason we need these provisions and enforcement -- we haven't talked about specific enforcement, but personally, I believe enforcement is key.

[Beeping]

>> They dropped 80% of the wheelchair accessible costs. If that's not proof of discrimination, I don't know what it is.

[7:22:33 PM]

We've been working on this for 23 years and I can't get a reliable taxi ride. That's a shame. If the city doesn't do something aggressive and assertive about it, you're just as responsible for that discrimination.

>> Mayor Adler: Thank you.

>> Thank you.

>> Mayor Adler: Thank you very much.

[Applause]

>> Mayor Adler: That ends the --

>> Mayor.

>> Mayor Adler: Mr. Casar.

>> Casar: Just a couple of quick questions for you.

>> Yes, sir.

>> Casar: First, there was a suggestion by a representative here of the national taxi drivers alliance who spoke a moment ago about only requiring this for the wheelchair accessible vehicles. But is y'all's position that you would like to see this as a requirement for all the cabs?

>> Yes. I think one of the recommendations was that we get a response time of seven minutes longer than the average taxicab ride. I don't know how the math would work if you didn't do this requirement for every taxicab. I don't know how you would enforce just doing that for wheelchair accessible cabs. We try -- with yellow cab, it failed as a voluntary thing. We tried a lot of very creative things that always seem to fail. And the reason is because they just have this discriminatory attitude towards us. Like they're providing us transit or a medical service. We're looking for a taxicab service, not an ambulance.

>> Casar: Understood. My second question is, if this was applied to all taxicabs, if -- were in need of that service because they were a person that used a wheelchair or had another disability, would that meet what y'all's needs? If it still applied to all taxicabs, but only if the caller identified themselves as somebody that used a wheelchair or had another disability and needed that expedited service?

[7:24:42 PM]

>> I'm not sure I understand your question, but I think that having that requirement will ensure some matrix to judge them by. So, I don't think it matters if I identify myself as a person in a wheelchair, necessarily. You have to do that anyway, because not every taxicab is going to be accessible. So you'll be required to do that even if these provisions pass.

>> Casar: Thank you. That's helpful. I appreciate it.

>> And the other thing that you could do is also know that the Ada requires that every non-sedan vehicle has to be accessible, and we're not compliant with the Ada in that regard. So that's another thing to keep in mind.

>> Casar: Thank you.

>> Mayor Adler: Thank you. Ms. Kitchen.

>> Kitchen: I was just going to --

>> Mayor Adler: Microphone? Then Ms. Tovo, did you have a question?

>> Tovo: This is similar to what councilmember Casar was talking about. May have even been the same thing. If it was, I apologize. As I'm beginning to understand the language change from respond to to accept, is part of what's causing -- as I understand it, some drivers are concerned that they may be in line at the airport, or may be in a situation where they're not able to get away and respond, would it still satisfy the aim and the goals that I think are really critical that you're identifying if the language shifted back to "Shall respond to" to allow -- or some middle ground there?

>> I'm not sure that would help. You'll get the same situation we have now, and it's not working.

[7:26:43 PM]

It's my understanding that if they're at the airport, and they're waiting on a fare, aren't they able to go offline?

>> Yes.

>> So why would it even be an issue? If you're in a taxi stand waiting for someone to get out of their plane and come down to the taxi stand, you can turn off your light and say you're out of service. So it's not going to take you away from that big whale of a fare that they're dreaming of. But the \$10 fares and the \$15 fares to and from the grocery store matter, too.

>> Tovo: I appreciate that response. Thank you. And it looks like councilmember kitchen has so much information, and staff may, as well. So, thanks again.

>> Mayor Adler: Thank you, Ms. Kitchen.

>> Kitchen: I would like to move forward with a motion, and then we can start our discussions.

>> Mayor Adler: Any further questions?

>> Zimmerman: You mentioned something about discrimination. I just can't buy that. I look at the cab drivers in this room. I can't believe that there's a cab driver in here that would deliberately not pick you up just because you're in a wheelchair.

>> It happens all the time.

>> Zimmerman: There's got to be some other reason. Is it an economic reason, a time reason, something? I see some hands going up in the back.

>> There are people in wheelchair accessible cabs. They say they don't have anywhere to go. I say, I need a ride. They say no, sorry.

>> Zimmerman: There's something else going on.

>> Mayor Adler: Thank you very much.

>> It's discrimination in my book.

[Applause]

>> Mayor Adler: We are now done with the public speaking portion.

>> Mayor.

>> Mayor Adler: So now we're back to the dais. Mr. Casar.

>> Casar: I have one more question for Ms. Mcfale, so we don't have to have people walking back and forth. So, to clarify, because I do realize the second question I asked you was much less clear than I would want it to be.

[7:28:46 PM]

The proposed change to code on third reading right now says while in service taxicab drivers shall accept service requests from the driver's dispatch terminal when they're the closest driver. The question I was asking was, how would you feel if it said, while in service the driver shall accept service requests if they're the closest driver if the call comes from a person with a disability?

>> It should be across the board so everybody has a fair playing field and it's not difficult to understand.

>> Casar: Okay, thank you.

>> Mayor Adler: Thank you. Ms. Kitchen.

>> Kitchen: I would like -- my suggestion is that we proceed first with the code amendments, which is item number 55. And then after that, proceed with the franchise agreement amendments, which are item 52, 53, and 54. And to that end, I would like to move that we adopt the proposed item number 55 that's in your late backup. It's yellow. Item number 55.

>> Mayor Adler: Is there a second to that motion?

>> Zimmerman: I wanted to raise a point of privilege and welcome councilmember Delia Garza back. She snuck in there.

[Applause]

>> I'll second. I'll second the motion.

>> Mayor Adler: Ms. Kitchen motion's, seconded by Ms. Gallo.

>> Okay. I would just recognize that we do have a number of issues that have been raised about the code. And so, perhaps it would be helpful if we -- to just first start with the lease cap and due process issues, if that -- would that be --

>> Mayor Adler: That would be fine.

>> Kitchen: I'll turn it over to councilmember tovo.

>> Tovo: I appreciate that and the discussion that's gone on regarding these issues.

[7:30:47 PM]

You know, I also want to just start by thanking the committee members and the community for really digging into these issues. These are issues that I've heard arise as points of discussion for several years. And I think in the last couple of months, you all have made a tremendous amount of progress. Really, more than has happened in a long time. I think the move toward the new co-op, great steps forward. So -- but -- and I do, you know, I think what we have ahead of us, or what we have before us marks some good improvements, too. But I do think the drivers have, for a long time, asked for a process that would enable them more protections in the job that they do day in and day out. I think it would be good for not just the drivers, but for the customers they serve, and also for the franchises. Sometimes when we hear the information coming forward, it's hard in our position to really assess what happened when we hear stories about drivers who may have been terminated for particular reasons. The franchises will say, "That's not the kind of incident" they would terminate for, and the drivers, you know, some of the stories we hear are that they have. So, I think we would all benefit from having a process where disputes can be resolved. You'll see that section down below. The first section talks about the fees. We've heard testimony today from all three franchises that they don't raise fees very often. They haven't in recent years. So, as that is the case, as they've affirmed here today, I think that the process that I've outlined here should work. What would -- and let me just explain the overall framework. You see a section here that fees -- actually, can I ask our channel 6 folks to put these up on the frame?

[7:33:00 PM]

The intent is to provide consistency and certainty to drivers and franchises. The fees would be set. And then there would be an annual process of reviewing them. And these would be developed in concert with the franchises. So certainly, the drivers would be welcome in those discussions, but the franchise representatives would explain their fees now. There would be an allowable increase as a maximum that would be set for that year. And at the end of that year, there would be an opportunity to come back and look at them again. And that's provision D. On an annual basis, a holder may request a modification to the fee structure based on just cause. Like when the utility company asked for a rate increase, we said it was justifiable and consented to that increase. Again, the city manager, you see the directive to the city manager to work with stakeholders to come up with that. Resolving disputes. Again, I think we would all benefit from -- in this community from having a dispute resolution process. The drivers would still have access to the same process they have now within the company. But if they wanted to appeal it, they could appeal it to an independent arbitrator.

[Applause]

>> Tovo: The first step to that would be that there would be a model contract that our staff would develop -- would present to us for approval. It would indicate that there would be an independent arbitrator and designate one. It would talk about the opportunities for the driver to contest suspension or termination. This is pro-violation b2. It would include specific descriptions of incidents that would be a reason for termination.

[7:35:07 PM]

There's no uncertainty. These are the offenses. If a driver commits them, he or she would be looking at suspension or termination. We would adopt that model contract prior to August 4th. And any franchise would have an opportunity, as specified in D, to present an alternative. If you have a contract at one of the franchises that you want to continue to use, you have an opportunity to present that as a form of alternative compliance, as long as it has the elements we've talked about. Due process, procedures for

due process, specific language about terminations and suspensions, and a designation of an independent body to review those. Again, the model contracts would be developed in concert with the various stakeholders. Franchises, franchise representatives, as well as drivers. Those are the amendments that would go into our code in fact I think it's very much in sync with the kind of work that the committee has been doing to really look at all of the parties within this relationship and put in place provisions that protect all of their interests and move towards assuring a level playing field for all of the participants.

>> I forgot to ask for a second to the amendment. Is there a second to the amendment? Ms. Houston. Continue discussion. Ms. Kitchen.

>> Kitchen: I have a few questions. Just to clarify. So, on the dispute resolution aspect of it, I'm not sure if I'm reading this the way it was intended, but the third item with regard to -- I think it's reasons for termination? What is the intention in terms of who determines those reasons? In other words, I understand the intention to clearly specify, you know, what the parameters are for when the driver could be suspended or terminated and that that should be in the contract.

[7:37:10 PM]

But I'm reading this language to say that the city is going to determine what those parameters are. Because if we're developing a model contract, if I'm reading this correctly, would that mean that it's the same for all three cap companies, and that it's the city that makes the decision what those instances are for which someone can be terminated?

[Applause]

>> Kitchen: And I might just add that I should clarify that I think that's a problem. I do think -- with all due respect, I do think it's important that the contract between the drivers and the taxicab companies is clear. People should understand what the parameters are, what the rules of the road are in terms of their job. But I'm not certain it's the role of the city to decide on behalf of the cab companies and the drivers what those conditions should be. But what was your intention? Is that your intention?

>> Tovo: I appreciate the concern you've raised. My intention was to set some parameters over what would constitute a cause for termination and suspension. To do that through a process where the stakeholders would be involved, again, the franchises as well. It's my understanding from talking to them that there are not a long list of offenses that would constitute termination or suspension. And so, my hope is that there wouldn't be much distreatment on what those would be. But, those would be developed in concert with the various stakeholders who would appear in the model contract and we would have to have a discussion where, again, the council will have an opportunity to review these. If there are particular provisions a cab company wanted to include, they could certainly propose to do so under provision D by bringing forward a form of alternative compliance and provide a persuasive argument why their criteria for, or their incidence that would cause -- that would be cause for termination or suspension are justifiable.

[7:39:22 PM]

What I want to prevent -- and I believe the drivers have raised concerns about this issue -- I would like to make sure that our model contract or any alternative compliance contracts do not have vague language in them like "Or other offenses" or, you know, catch-all phrases that don't really address the issue that's been raised about providing a consistent and understandable and comprehensive process.

>> Mayor Adler: I have a question. Following this process, as the process started off, and Ms. Kitchen, we'll be coming back to you, too. One of the clear objectives that I had was to level the playing field. And I think that the drivers were in a system that required some leveling to take place. And I recognize we're

in an industry that's transitioning. We haven't even gotten to the Uber and Lyfts and tncs of the world and how that meshes in with a system of mobility in this city that's important to the entire community. So as this process was starting in terms of trying to get a better position for the drivers, I was -- one I was in favor of and was arguing and moving forward the licenses to stay with the drivers so that they have the ability to be able to move. Because I think that that, in an open system, provides leverage for drivers that didn't exist. And then the moving toward increased number of franchises over time, with the ability to set performance objectives and criteria that will reward those companies with franchises that can attract drivers wanting to go there with their licenses.

[7:41:31 PM]

And while I -- why I continue to be a strong supporter of opening up the door so that the drivers can set up their own co-op so they can create --

[applause]

>> Mayor Adler: I hear the issues that Ms. Tovo has raised. And they are of -- procedure with contracts, with termination. And the other elements. I am a little bit nervous about the city moving in to contract details at that level. I'm concerned that if we start doing that here, that we're going to be asked to do it lots of other places. Places that we don't want to be in. And we're moving away from a monopoly model. I understand that, you know, we do do it with Austin energy but, you know, there's a single source monopoly there, and I think it's different as we move into a more competitive environment, which is what I think we want to do. And so, I am sensitive and want to deal with the points that Ms. Tovo raises. Is there -- I notice that the work of the committee came back without something in that area. Is there an alternative that deals with that that does not go that far?

>> If I could.

>> Mayor Adler: Let me get the answer to my question, and then I'll recognize you. Ms. Kitchen.

>> Kitchen: Yes. I do have an alternative motion that I can offer at the appropriate time. And that motion -- I think I handed it out to everyone. But basically what it would say is that the holders' contract with a driver must include procedures for resolving contractual disputes that include at least the option for the driver or holder to bring disputes to an independent mediator.

[7:43:39 PM]

I'll get back to why the mediator in a moment. Second, the opportunity for the driver to contest suspension or other disciplinary action, and third, specific language describing actions or incidents that would result in suspension or termination. Finally, the department shall confirm compliance with these provisions prior to approving a holder's contract with drivers. Right now -- currently, the department approves the contracts. So, that would not be a new process. This would simply add three things that have to be in those contracts for the department to check for when they're approving the contract. And it would take a dispute to an independent mediator as opposed to an arbitrator. And I have a question about that, because I'm -- I noted that the concern about the indemnification, so I think we need to talk to staff and find out the response to that. But I think -- so, that's why I think a mediator as opposed to an arbitrator might be more appropriate. And so it doesn't involve a model contract but it does provide protections for drivers that the contract that they are being asked to sign by a cab company has to have the specific language that describes when they could be suspended or terminated, and also has to have language that allows them an opportunity for a dispute resolution process.

>> Mayor Adler: I don't see those things in the current item number 55.

>> Kitchen: They're not. I will offer that as an amendment at the appropriate time.

>> Mayor Adler: If Ms. Tovo's amendment gets voted down, you will come back with those as an

alternative?

>> Kitchen: That's right.

>> Mayor Adler: Okay. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Knowler. Mr. Mayor. As a member of the mobility committee, thank you for putting me on it. If you had asked me in January what we would be doing in June, I would hope we would've been working on road congestion relief. Instead, we're working on taxi franchises.

[7:45:40 PM]

I didn't see this coming. With all the interesting testimony, many hours, a lot of passionate arguments and debates, I think my take on all this is that we as a council, we don't have the business background. We haven't been taxi drivers. We're not really qualified to get into the details, kind of getting into the weeds of a lot of the complex problems we have here. It was my hope that we were going to limit the renewals to one or maybe two years, a shorter term, which would give us time, if you'd like to, to work on these other complex issues. Frankly, I think a better way to handle this would be the taxi co-op. So instead of us getting into the weeds of the disputes between labor and management in the taxi companies, let's work on getting that co-op going so there is an alternative for the drivers. They could go to a co-op.

[Applause]

>> Zimmerman: In principle, I'm just not going to be able to go here. I definitely don't have time tonight to work on this. And I'm going to vote against these. And I'd like to get back to trying to just resolve, you know, the basic franchises for one or two years.

[Applause]

>> Mayor Adler: Further debate? On the amendment from Ms. Tovo. Mr. Casar.

>> Casar: Mr. Mayor, I hear your concerns about getting involved in that relationship between employees and employers. But in this case, we don't have an employer/employee relationship. We have, as a city, endorsed and promoted an independent contractor and company relationship. And so, the association if we had an employee/employer relationship would be able to get 50% to the drivers in any given company together and as Mr. Zimmerman noted, the city would have very little need to get involved in the relationship, because there would be a bargaining that would occur and they would come to contract between themselves.

[7:47:42 PM]

However, we've chosen to take that right away from the drivers by -- and from the companies to bargain together. They have to bargain individually as independent contractors. And so I understand that we've kind of put ourselves in the position by promoting this sort of system to be the ultimate regulators. Most workers in the private industry would not have to come to us to ask for this sort of help. But when we have chosen to do an independent contractor system, there is not that much other choice. And so, otherwise, by us not having any role in the conversation, we basically leave it up to each individual driver to negotiate with a business. And that's why, you know, over the last century of history as I understand it, the government gave workers the rights to organize and bargain collectively, because you have so much less power as one independent person negotiating with a company. But we basically decided that is not the model we want to pursue for taxicab companies. So that's the reason why I feel on a policy level that intervening and having a say in what can and can't go in an independent contract is our responsibility, because we've chosen --

[applause]

>> Mr. Mayor.

>> Mayor Adler: Further discussion.

>> You go.

>> Mayor Adler: Ms. Gallo.

>> Gallo: I have a question of legal. This is kind of a broad question, but do we do this with any other franchise agreements? You know, I'm concerned about us moving in a direction that sets a precedent for what we will have to do with all the other franchise agreements that we have. So the question is, do we currently get involved in this detail with other franchise agreements?

[7:49:44 PM]

>> Hi, from the legal department, Angela Rodriguez.

>> Gallo: Okay, thank you.

>> Mayor Adler: Ms. Tovo.

>> Tovo: I have a followup question, and then I also want to say I'm very happy to substitute the word mediator for arbitrator, if that makes a difference to the conversation. I think that's consistent with what I'm trying to achieve here. And it doesn't give me pause to have a mediator. Does the city set wage -- a wage for subcontractors who work on city projects?

>> That they do. And that's under a negotiation -- the negotiated --

>> Tovo: We're doing a negotiated contract in the form of a franchise. And so I think having an agreement on what those fees are going to be is consistent with that practice, while not exactly identical. But I appreciate that it's not within the franchises. And I have a couple other things to say about it, but it looks like there might be some questions.

>> Mayor Adler: Any further questions on the amendment? Ms. Kitchen.

>> Kitchen: This is a question. Does our -- I know our practice is that there are -- that taxi drivers are independent contractors. But is that set up by our scheme? Do they have to be? Can they not be employees?

>> I think Mr. Thomas wants to answer that right now.

>> Good afternoon, council, Carlton Thomas, Austin transportation department. There was a point in time when a previous council desired an opportunity for small businesses, taxi drivers. They required at least 40% of the taxi vehicles operating should be owner-operators. So, at a minimum.

>> Okay. Okay.

>> Thank you.

>> Casar: Mayor, I think that was a different -- I don't know if that question was clear. There's a difference between owner-operators and lessees, I understand that.

[7:51:50 PM]

But, the question was independent contractors versus employees of the companies.

>> Kitchen: My question, is there anything that we're doing in our regulations that require the relationship between a taxi cab company and a driver to be a contract as opposed to an employee relationship?

>> Yes. That number is at least at a minimum, 40%.

>> Kitchen: So our regulations say that at least 40% of drivers of the taxi cab company cannot be employees?

>> That's correct.

>> Kitchen: Okay. Mmhmm.

>> Mayor Adler: Mr. Casar, would it be better if we remove that restriction?

>> Casar: Mr. Mayor, I think that that is a really big discussion. And a major change. My understanding is

virtually all the cab company, almost a hundred percent of the cabs are operated as independent contractors. There's a major national discussion about what the definition of independent contractor should and should not be.

[Applause]

>> Casar: And I understand that we want to make sure that we have continuous service of our cabs. And so if you want to start that discussion back up, I wouldn't recommend it for today.

[Laughing]

>> Casar: I do believe that, for example, in Las Vegas that cab drivers are employees. I mean, I think that's a pretty wide conversation. Point being, though, that the council does approve labor contracts regularly. We just approved a very large one today. And I understand that considering we have an association that is a part of the afcio, if they negotiated with the company, they would not have protections under collective bargaining because of the model that we have endorsed, regardless of whether we acquired it or not, we endorsed it by working with franchises that operate under the independent contractor model.

[7:53:55 PM]

So, there is no -- the traditionally federally protected method of collective bargaining doesn't exist. We're the last recourse of being an arbitrator.

>> Mayor Adler: How does that work with the state limitation on right to work state?

>> Casar: Right to work would mean that if you have more than 50% of workers at a private employer organizing to a union, they cannot require that any new employee become a union member. So, that would be the difference in the private sector. So, that really wouldn't apply in a company that has independent contractors rather than employees. So, long story short, if a company were all employees, just like any private employer, if 50% or more of the employees choose a union of their choice, they get to collectively bargain at the cab company that's not possible, which is why we have the cab drivers here having to talk to us to mediate this issue on their behalf.

>> Mayor Adler: And the reason we're in the position might be in response to provide the -- the drivers the opportunity to have their own businesses.

[Applause]

>> Casar: Exactly.

>> Mayor Adler: Which they seem to enjoy.

[Laughter]

[Applause]

>> Casar: Of course. That's why I say that if we want to wait until we have that conversation, that's a separate conversation about whether or not --

>> Mayor Adler: I understand.

>> Casar: Before whether or not we want to head down that sort of path. We have built a structure, a structure that some people like, some don't. But this is the structure that we have, and in the structure that we have there is no ability for the employees as a collective group to negotiate with their employer as a collective group and so we are in this situation.

>> Mayor Adler: So I would -- I'm probably going to vote against Ms. Tovo's amendment in favor of Ms. Kitchen's amendment and ask the mobility committee to take a look at whether we should reopen that issue because it seems to all rerevolve around the larger policy question.

[7:56:08 PM]

Further debate, Ms. Tovo.

>> Tovo: Yeah. I want to clarify as I see it, the main difference here between the two, resolve the mediator, arbitrator, so that's no longer a difference. I'm proposing my amendments with the substitution of the word mediator for arbitrator. The difference main difference would be the staff approve the contracts versus the city or that is a main difference. My office has certainly heard from the drivers that they would like the council as an added level of protection to make sure that if there are phrases in there that are -- that could be open to misinterpretation or vagueness that we have an opportunity resolve that. Councilmember Zimmerman, I heard your concern about the time period. I want to call your attention to the provision that would actually be language for the franchise agreements and address the time period. Yeah, this is -- we clearly don't have a model contract to propose today or an opportunity to look at an alternative compliance contract that one of the franchises would forward, nor do we have an opportunity to set that fee structure. So we've given two months for that process to happen to, come back to council, but if you look at the franchise, the language I have under the franchise agreement, what it does is basically give us up to a year to get clear on those details. It would allow -- and that specifics -- this is the second page, if you don't mind putting up the second page if the franchise holder submits a contract in compliance with this section of the ordinance that we're talking about, before the franchise expires in one year, the franchise will be extended for an additional four years. So we've had first reading we passed a five-year extension, on second reading we passed --

>> Zimmerman: One minute.

>> Tovo: No, actually on the first reading we passed a zero, I think, we had discussion about it being a zero time period. On second reading we passed a one-year, and then what's contemplated here today is a 5h year.

[7:58:11 PM]

So this attempts to strike a balance there. I heard from the franchises. They want a five-year contract, we heard from Austin interfaith and drivers and they would be happier with a one-year. You at the mobility committee talked about the possibility of a shorter time offended hammer out some issues. I'm comfortable going forward with a five-year term if we build in these two -- it -- what we go forward with has due process and the fee structure and builds in an opportunity for that extension only once those provisions have been let. So it would be -- provisions have been met.

[Applause]

>> Tovo: As I see it, it strikes a balance between the two. There's a clear path to a five-year term for our franchises, but there's an opportunity to make sure we get the details right on those contracts, that we have an opportunity to review and affirm them as a council and an opportunity to affirm a fee structure. Let me say this is not an attempt to set the fees artificially low. It is a community interest to sustain three vital financially stable franchises, taxicab franchises. We rely on those to provide service to visitors, to Austin residents, we look forward to expanding your service to individuals with disabilities, and so there would be no attempt to set fees that are artificially low that can't allow to you run your business at a financially stable manner but it would be an attempt to get certainty to what those fees would be over a course of time. So I'm happy to answer any questions about that timing, but I hope that addresses your concern about trying to do this too quickly.

>> Mayor Adler: Ms. Kitchen. Microphone needs to be turned on.

>> Kitchen: With regard to the difference between the two provisions about the dispute resolution process, there is another difference I think is an important difference. By setting it -- the language reads to me that the council shall approve a model contract.

[8:00:15 PM]

And you did point at that difference, the council versus the department's current role to approve these contracts. But the second thing is the model contract, the language requires us to set forth what those actions are that someone can be suspended for. So it goes beyond clarity. What I'm proposing is that requiring the taxicab company to be clear in the contract and so that it's -- it's very clear what someone can be suspended or terminated for. The difference is that what the amendment that you're proposing is that we also say what those reasons are. So that's a big difference. Because it puts the council in the position of saying you -- you, the taxicab company, may suspend a driver for X -- you know, for X action, whereas what I'm proposing is that we're requiring the taxicab company to tell the driver what they could be suspended for and not be able to go beyond that. So that's a difference.

>> Tovo: Mayor.

>> Mayor Adler: Yes.

>> Tovo: If that's a concern to others and would keep them from voting in support of my amendment, I'm happy to include language, indeed if we can come with it on the fly or just direct our staff this would be the case, that the model contract that a franchise would submit as an alternative could certainly differ in the action, the instances that would lead to suspension or termination. If that makes sense. When -- I think that we've allowed -- what I was trying to do is provide an opportunity in D for a franchise to come forward with their own model contract. That lays out particular instances in which a driver could be terminated or suspended and, again, I think as long as there's a council review of that, I'm comfortable with the companies coming one that on their own and specifying what those instances are, which in their company culture would lead to termination or suspects, as long as they're delineates.

[8:02:32 PM]

Again, if we have the review at council, I think we have an opportunity to call attention to any vague language that would lead to conflicts.

>> Mayor Adler: Would remind me, Ms. Kitchen or the committee what's the deadline for getting this done.

>> Casar: Today. Let me say the franchise agreement and the staff can further clarify, the franchise agreements must be approved on third reading today. I don't think we have any -- the code amendments can be made at any time. What we're faced with, though, is what has to be in a franchise agreement versus what has to be in a code. And we may need to have you clarify that, but our understanding was that provision that's all right to this type of dispute resolution that we're discussing today, as well as the proposed lease caps, would be the kind of thing that had to be reflected in the franchise agreement. And that's why the last provision that councilmember tovo has. That we couldn't come back later and change the code if we hadn't reflected it in some way in the franchise agreement.

>> Zimmerman: Mayor.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Yes, that's one of the reasons that I wanted to shorten those terms to either one or two years so that there be understanding we would come back and revisit the franchise agreement. You know, if all these things could be hammered out in that time, within one or two years we could revisit it, if you'd like to attach this to the franchise agreement we would do it then. I just don't see it happening today. I just don't think it's possible.

>> Tovo: Mayor.

>> Mayor Adler: Yes.

>> Tovo: I think I have language to propose and maybe legal can tell us if this would work. Under D, the holder must establish procedures, et cetera, et cetera, I would propose adding language that says "And may differ from the model contract with regard to provision b3".

[8:04:35 PM]

>> I don't actually have the document. Do you have the document? I'm sorry, ma'am, if you could repeat that.

>> Tovo: Absolutely. And so the language, again, if this is of concern or of interest to other councilmembers, I would propose we add the language to D, the one all the way at the bottom of the first page, just add the language "And may differ from the model contract with regard to b3". I mean, it may differ in other ways as well, but just clarifying that there may be additional provisions that accompany one -- and, again, councilmember Zimmerman, I agree with you, we're not going to hammer out every detail, but I do think we can make space for these two important considerations and allow ourselves the time to really work with the franchises to make sure those work from their perspective.

>> And, council --

>> Tovo: Everything else would stay the same with the exception, again, the arbitrators switches to mediator.

>> Yes, that would be fine legally if that's the will of council.

>> Kitchen: Mr. Mayor, let me just recap. So then the difference between the -- the difference is then would be between the dispute resolution provision would simply about whether council is approving the model contract or the department as part of their current role in approving the contracts make sure these provisions are in it. That would be the difference for that. There's still the difference that the amendment to -- you're proposing has the lease caps, the whole lease cap scheme in it, and what I would be proposing does not. Okay. Thank you.

[8:06:38 PM]

>> Mayor Adler: Ms. Trox troxclair.

>> Troxclair: Thank you. I have been an advocate for the drivers throughout this process, and I do think that we need to correct some clear inequities in this process, but I -- the main issue that I have with this resolution is the city setting fees and getting involved in the contract between the private business and their independent contractors, just because, you know -- as soon as we make a decision on this issue, the next taxi or transportation-related issue that we're going to have to tackle is the relationship between the taxis and the transportation networking companies. And the difference in that situation is we have a difference in regulations when it comes to taxis and tnccs that we're trying to make sure -- bring them to an equitable place and make sure that we have an even playing field and we have the same regulations across the board. In my opinion, there are many things that we can do to increase the power and the freedom of the drivers by establishing a co-op and doing some of the other things that the -- that councilmember kitchen has proposed, but if we, in that process, also add additional restrictions to the taxi companies we're just going to further unlevel the playing field for the next conversation that we're going to have to tackle. So I support a lot of the other ideas that we've been talking about but I can't support this amendment for that reason.

>> Zimmerman: Mr. Mayor, could I call the question?

>> Mayor Adler: It's been moved.

>> Tovo: Mayor, I'm happy to separate the two items if that's more palatable. Or perhaps I can have the opportunity to do so if this motion fails.

>> Mayor Adler: Okay. It's been moved to end debate. Is there a second to the motion to end debate?

[8:08:39 PM]

Mr. Renteria.

>> Casar: Mr. Mayor, point of just clarification on the motion. Is the motion to end debate for the entirety of the -- of these items or just for --

>> Mayor Adler: It's just on the amendment from miss tovo. It requires a two-thirds vote. All those in favor of ending debate please raise your hand. Those opposed. We've ended debate. All in favor of Ms. Tovo's amendment, please raise your hand. Tovo, pool, Garza, and Casar. Those opposed, raise your hand. The remainder on the dais. 8-three. Ms. Kitchen, do you want to make your motion?

>> Kitchen: Yes, I'll move -- and I passed it out for everyone. I'll move adoption of the amendment that I mentioned before about resolving disputes. I know it's not in front of everyone. I'll quickly cover it again. That's basically that the holder of the contract must include procedures for resolving contractual disputes that include the option to have an independent mediator, the opportunity for the driver to contest the suspension or termination or other disciplinary action and specific language describing actions or incidents that would result in suspension or termination and that the department shall confirm compliance with these provisions prior to approving a holder's contract with drivers.

>> Mayor Adler: Is there a second.

>> Zimmerman: I'll second.

>> Mayor Adler: Second from Mr. Zimmerman. Discussion on Ms. Kitchen's amendment? Mr. Casar.

>> Casar: Mr. Mayor, I may be doing what the mayor pro tem was with to do so I'll let her interrupt me here in a moment, but it seems that there was not a majority will on the issue of lease caps, but it did seem that there was some interest in the due process, my understanding that's what's laid out in councilmember kitchen's motion but the difference in what I thought mayor pro tem might have brought up if she split the question was whether the council should have -- should be able to review that and approve it or if it would be administratively reviewed by the staff.

[8:10:59 PM]

And so I don't know if I would propose this as an amendment or if we would wait for Ms. Tovo's motion, but my preference would be for us to take a look at those contracts and for the council to approve them or to give them our stamp by a majority vote, which I think would be the -- it would maintain that due process, the due process clauses, but we could have a conversation with both the franchises and the drivers about whether or not there were any open-ended clauses in the contract.

>> Kitchen: Mr. Mayor.

>> Mayor Adler: Yes, Ms. Kitchen.

>> Kitchen: I'll just explain why I'm suggesting it this way. We have -- our department currently approves those contracts, and there are some existing provisions that they have to determine are in them. So I think it makes sense, because what we were talking about is specific language describing actions or incidents. So our department would be approving them. I'm certain they would involve our legal in approving those contracts. So I think that because what we're talking about is a specificity of language, I think that that's -- I feel confident that our legal department and our transportation -- you know, our appropriate staff could fulfill that function.

>> Mayor Adler: As I look at the language in the -- you had said -- these things -- your amendment is putting things in contract which presently don't exist. What do you mean by -- so the first one is, is that it would require that the contract provide an opportunity for mediation.

>> Kitchen: Right.

>> Mayor Adler: The second one is that it would provide specific language describing in the contract what actions or incidents would require -- what would be the specific actions or incidents that could result in suspension or termination has to be in the contract for the drivers.

[8:13:09 PM]

>> Kitchen: Right.

>> Mayor Adler: Would you explain to me what line number 2 is.

>> Kitchen: Well, that's really -- when -- you actually get to a point where you're creating a contract, 1 and 2 would probably go together. Basically it would specify that a driver could contest a suspension, a termination or other disciplinary action, and that would include contesting it through the -- through an independent mediator. By the time you you to put 2 and 1 together, I guess that could be clearer, you'd actually --

>> Mayor Adler: Going to the independent mediator.

>> Kitchen: Yes, that's what I was thinking.

>> Mayor Adler: What then we'd do and I would recommend your language then reflect that.

>> Kitchen: Okay.

>> Mayor Adler: If that was your incident, to state option for the driver or hotel -- I would say the drivers will have in the contract the opportunity to contest suspension, termination, other disciplinary action through the ability to bring disputes to an independent mediator.

>> Kitchen: Okay.

>> Mayor Adler: Is there an objection to that change for her intent? I'll repeat it again. A would read the same, but one would say the opportunity for the driver to contest suspension, termination or other disciplinary actions through the ability to bring -- through independent mediation is what it would say. One would go away. It would be -- and then we could put on number 2 that would say through independent mediation. One last time. Number 1 would then read opportunity for the driver, driver, to contest suspension, termination or other disciplinary action through independent mediation.

>> Zimmerman: Yeah.

>> Mayor Adler: And then 3 would become number 2.

>> Zimmerman: Yeah.

>> Mayor Adler: No objection, then, that's what the amendment will now be read as.

[8:15:12 PM]

I think that's clear for your intent. Any further conversation on Ms. Kitchen's amendment?

>> Casar: May I make an amendment as well?

>> Mayor Adler: Yes. As long as it's an amendment to her amendment.

>> Casar: Exactly. So my amendment would be that the -- if you could put that back on actually because I'm looking at her amendment there. That the holder's contract, so just an additional C, that would say the holder's contract with the driver must be approved by a majority vote of the city council and that any driver contract submitted by the holder to the city's transportation department for consideration by the city council shall be placed on the next upcoming city council agenda as is legally practical.

[Applause]

>> Mayor Adler: So you're adding a section C?

>> Casar: Yes.

>> Mayor Adler: To this. Tell me again what it would say?

>> Casar: That the holder's contract with their driver must be approved by a majority vote of the city council and that any driver contract submitted by the franchise holder to the city's transportation department for consideration by the city council -- after its been submitted as is legally practical.

>> Kitchen: Are you -- I'm sorry. For clarification, are you talking about each individual contract with each individual driver?

>> Casar: No. I'm referencing the same, the holder's contract with the driver that you've referenced

above.

>> Kitchen: Okay.

>> Mayor Adler: But that is each contract. What this says is that the holder's contract with a driver.

>> Kitchen: The franchise holder's contract is reviewed by the transportation department, correct?

[8:17:16 PM]

>> Kitchen: That's my understanding.

>> Casar: So all I'm saying is that the transportation department would then place that contract up for consideration by the city council and it would be approved by the majority. And so that's the intent.

>> Mayor Adler: Okay.

>> Kitchen: That's the intent based on my understanding that I've gotten from you in the past and today that transportation department reviews that.

>> Kitchen: I understand the intent of the amendment.

>> Mayor Adler: Okay. Is there a second to the amendment from Mr. Casar? Ms. Tovo seconds the amendment. Now we're discussing Mr. Casar's amendment, which is to add that section C. Ms. Tovo -- I mean, Ms. Houston.

>> Houston: --

>> Kitchen: Mr. Mayor, we have perhaps some clarification from staff?

>> Mayor Adler: Help.

>> Mr. Mayor, if I could.

>> Mayor Adler: Thank you.

>> The department does review every contract so every driver's contract that comes in we review it. We do not approve it, but we do review it. So, again, the concern is legitimate that if you're asking us to bring every single driver's each individual one to you, that would put a great burden, I believe, on you.

>> Kitchen: I don't know what the volume is, but . . .

>> Houston: Mayor, I have a point of information.

>> Mayor Adler: Ms. Houston.

>> Houston: And, unfortunately, everybody in this room is going to hate me, but -- but it's hard for me to try to deal with this complicated matter on the dais. Is there any way that we can pass what we have to pass tonight and give staff and the mobility committee time to work out these little intricacies because I have -- some things we have nothing to look at and we can't remember. And so it seems like we could pass something tonight so that we could get on with the business and then that would give time for these kinds of little details to be worked out. I personally don't want to look at every driver's contract. I don't think that's my role here.

[8:19:17 PM]

My role is to set policy. And not look at individual contracts. So I don't know how that would work -- doing that. So that's all I had to say.

>> Mayor Adler: Okay. Insofar reason I will probably also vote against subsection C when the amendment from Mr. Casar. I think we've put in the elements that need to be in the contract. They've never been in a contract before. I think it provides protection that's go beyond anything that is provided today. But the thought of this body as a council reviewing and approving contracts, I just don't think is the kind of thing that we should be doing as a council. Ms. Tovo.

>> Tovo: So, you know, I don't want to speak to what councilmember Casar's intent was, but I would assume that it was for the council to review really the descriptions that are up here, the language about the option for a driver or holder to bring disputes to a mediator, the language regarding the opportunity

for a driver to contest suspension, the language describing actions or incidents. So perhaps adjusting the language of subsection C, is it C?

>> Casar: Yes.

>> Tovo: How about adjusting that so it doesn't say a holder's contract comes but the language described in a, B, C, should come to council by August 4 for approval would cover it. It allows us the opportunity to see that language, see if it's what we had in mind in passing this, but doesn't get news the business of reviewing each and every contract. What we're trying to do is, you know, review the substance of it.

>> Casar: Mr. Mayor?

>> Mayor Adler: Mr. Casar.

>> Casar: I'm -- actually I was about to say I'm happy to pull down my amendment but I remember you haven't let me do that in the past so I guess I won't say it.

[8:21:18 PM]

I guess I'll have to vote against my own amendment.

>> Mayor Adler: I'll let you accept Ms. Tovo's change.

>> Tovo: Yeah, how about --

>> Casar: My intent is not for to us review every single driver's contract, but, rather, to do what Ms. Tovo had alluded to earlier, which is -- and sorry I don't have a piece of paper for this councilmember Houston, the idea being exactly the half of the due process -- the due process half of Ms. Tovo's prior amendment, which is that the council take a look at the suspension, the reasons for suspension, the reason for termination, and the option for drivers to take this to mediation and that we have one last look on it before we approve it. And the reason that we can't send it to the mobility committee to approve is that once we approve the franchise agreement, we can't reopen this to conversation again for five years because city legal has said that this particular piece of work has to get done within the franchise agreement. And so we can't do this later so that's why I'm taking us through some of the pain of figuring it out now.

>> Mayor Adler: Do I understand the intent is to change the language in:so that it says the holder's contract language required in a must be approved by city council?

>> Kitchen: I have a question.

>> Casar: That's okay.

[Applause]

>> Kitchen: I have a question.

>> Mayor Adler: Is that right? The holder's contract language required in a must be approved by city council? Do I pick up the intent?

>> Kitchen: Okay.

>> Mayor Adler: Is there any --

>> Kitchen: I have a question.

>> Mayor Adler: First I want to know if anybody has any objection, if that's what was his intent. Okay. So we're going to let him do that. Now we're -- go ahead.

>> Kitchen: I want to clarify the meaning because my understanding of what you said is that it is -- it's different because what you're saying is that we're going to approve the -- the council will approve the reasons that a driver can be terminated for as opposed to the council approving that the language is specific enough.

[8:23:28 PM]

That's what you -- I heard you say. I just want to make sure that I'm understanding. What is it that the council is approving when a contract comes back to the council?

>> Casar: Mayor? May I respond.

>> Mayor Adler: Yes.

>> Casar: What I would like to see is, as described by the mayor pro tem and the mayor, I believe, the language that the franchise -- franchise holders will use in their driver contracts to meet the requirements that you have set in a1, 2, 3. So that language would come to us, and then of course we would, you know, exercise our judgment as the majority of the council if it meets our values and understanding of it.

>> Kitchen: So you are saying we would approve the reasons, in other words, that what would come to us is that a driver may be suspended for X reason and we are passing judgment on whether that reason is appropriate? That's what you're suggesting?

>> Casar: Yeah, we would look at the language and we -- and the -- if the majority will of the council approved it we would -- if anybody on any part of the council had a problem with any of the language, they would have the choice of voting against it, which means they would have a chance to talk with the association, each of the franchise -- with each of the franchises and approve it. I, once again, would express my doubt that somebody would include something in there that was on the order of ridiculous and so I imagine that the conversation would mostly be around whether or not it's clear.

>> Kitchen: Well, it wouldn't have to be. I mean, you know, I want people to understand what they're voting on. That's all.

>> Mayor Adler: And we can have that discussion.

>> Casar: We can have that discussion then.

>> Mayor Adler: We have captured the intent, I think, what have it is that Mr. Casar was -- by saying the holder's contract language required in a must be approved by city council. To no objection we're going to then consider that to be Mr. Casar's amendment. There's no objection. Now discussion on Mr. Casar's amendment.

[8:25:29 PM]

Ms. Gallo.

>> Gallo: To me it sounds like micromanaging the company's contracts with the drivers, and I think what we're trying to do, from A and B -- or A and B is to make sure that the language on those items is in the contract so that the drivers know the language prior to signing the contract or agreeing to work for that company. So it's the disclosure of the relationship and the agreement that we want to see in the contracts, not that the contracts say what we want it to say. And I just think when we get to the point of bringing that information on contracts to the council, we're beginning to micromanage the relationship that the companies have with their drivers. And what we're trying to do is just make sure that there's disclosure in the language in these contracts, which we're asking our staff to make sure. It's not that we're saying how we want those to read.

>> Mayor Adler: Further discussion on this issue? Mr. Zimmerman.

>> Zimmerman: I concur with councilmember Gallo's remarks so I'll be voting against the amendment for those reasons.

>> Mayor Adler: Okay. Further discussion on Mr. Casar's amendment? Mr. Casar.

>> Casar: One last comment. You know, I understand that I come from sort of a different ideological background than some way on this council, but we honestly micromanage so much, think about our zoning. We micromanage how many feet somebody can build from a particular edge of a sidewalk based on three overlays and we micromanage that as a council and we tell a private business how to do its business all over our city. So it has to do with what we value. And what --

[applause]

>> Casar: And I just don't think it's micromanagement for us to take a look and think about whether or not in this case we do have the power to intervene on behalf of both companies and drivers that have had a longstanding issue, take a look and it would not be micromanagement.

[8:27:46 PM]

It would be us being able to apply our values and think through it. We tell private businesses what to do all the time and in my view it's the appropriate role of this council, or at least it's the appropriate role of my office.

[Applause]

>> Kitchen: I would like to --

>> Mayor Adler: Wait. You want to finish, Mr. Casar?

>> Casar: The appropriate role of my office to do my best to make sure that employees and their employers can work together and share prosperity and treat each other well. So --

>> Mayor Adler: Ms. Kitchen.

[Applause]

>> Kitchen: I would just like to say that I think the amendment I'm proposing does respect the drivers and the taxicab companies and their relationship and provides a method for drivers to have fairness and to have an opportunity for a resolution. I think that that reflects my values to respect the drivers, and I think the other types of changes that we have made so far respect all of our values on behalf of the drivers. We've done quite a bit here in terms of the ability to create a co-op, the ability for drivers to have a chauffeur's license, and so I don't want there to be any -- any thought or any implication that any of us up here don't value the drivers.

[Applause]

>> Mayor Adler: If there's no further debate we'll take a vote on C. Seeing none, let's take the vote. All in favor of Casar's amendment for C please raise your hand. Pool, Garza and Casar. That gets us back to the kitchen amendment. Is there any further conversation on this?

>> Casar: I do have one last question for legal, if possible.

[8:29:49 PM]

>> Mayor Adler: Okay.

>> Casar: And I think councilmember kitchen will like me asking this question because I just want to be clear. Does the amendment -- agreements -- I don't know if those independent contractor agreements from franchise to franchise agreements expire and renew, and just the only reasoning being would these requirements begin with the new franchise or just with new drivers signing new contracts?

>> Mayor Adler: Wait. We can't hear you. Start again.

>> Angela Rodriguez. Because these are going into code they won't be receipt active. They would go into effect for any in the future. We put them into code likely under the application process is where these would fit, and at that time we would review all this.

>> Casar: So the answer being that only new -- only new drivers applying to work at the companies would have -- or am I misunderstanding you? I've clearly done a lot of talking and thinking just in the last three minutes.

>> Only the -- okay.

>> Kitchen: No. I think that you renew contracts as they're done, right?

>> Yes.

>> Kitchen: Not the renewal of the franchise but when you have contracts.

>> The typical driver contract is a one-year agreement between the franchises and the drivers.
>> Casar: That's helpful. So it would be upon any new contract -- do the contracts typically have a renewal such that -- so the idea being anybody's contract that runs out at the end -- runs out at the end of its term, let's say you signed six months arbitration you have six months to go, that new contract six months from now would have to have these terms in it.
>> Yes, councilmember.
>> Casar: Thank you.
>> Mayor Adler: Okay. Any further conversation.
>> Zimmerman: I'd like to call the question, Mr. Mayor.

[8:31:51 PM]

>> Mayor Adler: Any further debate on --
>> Kitchen: Clarify what we're voting on now.
>> Mayor Adler: I think we're voting on 55 at this point. I think your amendment was adopted so you're voting on 55 as amended by kitchen.
>> Tovo: Just one question --
>> Mayor Adler: Wait, wait. There's been a motion then to end debate. Is there a second to the motion to end debate? Mr. Renteria. All in favor of ending debate please raise your hand. Those opposed? So the voting against it are Tovo, Pool, and Casar, and Troxclair. Debate is not ended. Ms. Tovo, you want to continue?
>> Tovo: Just quickly, out of the possibility -- without extending our discussion extensively, out of the possibility that perhaps it was the dispute resolution process in my amendment that failed, since I didn't have an opportunity to split the question before, I will now, and I will propose the first half of my proposed amendment that I made before, and that's the fees that holder's charge drivers and the setting fees that holders charge drivers section of that, so basically the first half of that. That's my motion.
>> Mayor Adler: Ms. Tovo, I think, is moving to amend 55 by -- amend 55 by adding the first two new sections of her proposed amendment to item 55.
>> Zimmerman: Point of information.
>> Mayor Adler: Is that correct.
>> Zimmerman: 13-2-xxx-yyy.
>> Tovo: Exactly right, yes.
>> Zimmerman: Thank you.
>> Tovo: Again, on the possibility, however slim it may be, that it was the due process section that kept us from getting across the finish line the first time.
>> Mayor Adler: Is there a second to that amendment? Ms. Houston seconds that. Now discussion and debate on this issue.

[8:34:04 PM]

Ms. Kitchen, would you address this just for a second? It doesn't seem like these fees are changing much over time.
>> Kitchen: Yeah.
>> Mayor Adler: It doesn't seem to be a real variable item. Is this the kind of fee that would be amenable to a setting like this.
>> Kitchen: Well, I'd like to hear from the taxicab companies again. I mean, one of the -- a couple of the concerns that we heard raised, I'm not sure how this addresses and perhaps councilmember Tovo could

speak to that, but there was a difference across the taxicab companies. So how would that be addressed in this -- these provisions?

>> Tovo: So the fee structure that council would adopt would be a maximum cumulative amount so franchises could set those certainly under that amount. It T would just go with the highest. I will say the other concern that got raised yesterday and I think it's a good one, is that there's some complexity to the fees being set with regard to -- I've forgotten the term, individuals who may lease from another taxicab driver. That's one reason why there would be a period of time for those issues to be sorted out. But, again, mayor as you said just in the testimony we heard testimony, those fees don't seem to be changing --

>> Mayor Adler: So if a company has the opportunity but not the requirement to use the body shop or to use their paint shop or to use services, would those kinds of fees be considered here, or are we only considering those fees which are mandatory for a driver to assume? And then there was a question about what the rules were.

[8:36:06 PM]

Were they -- could go to alternatively if they didn't do it in house, and I'm just trying to find out -- it sounds like this might be getting us into a really complicated morass as well as and I'm trying to understand all of those things.

>> Tovo: So between now and August, that would be something that the stakeholders along with our city staff would look at, and then they would make a proposal to us. My interest would be in addressing the required fees altogether and having them come back and propose a maximum and as we get into the other services on-site, I think that requires more discussion. But that certainly is something that can come back to us with some recommendations, whether those should be included or not.

>> Mayor Adler: Okay. Ms. Kitchen.

>> Kitchen: So I have a question.

>> Mayor Adler: Yes, Ms. Kitchen.

>> Kitchen: So if I'm understanding, the provision says the council shall adopt an initial fee structure prior to August 4. So I think you probably meant at the August 4 council meeting. I assume. Because we couldn't do it prior unless we did it -- I think we have two more meetings coming up. So I'm also concerned about what would be the impact -- what would happen if there was no agreement met -- there was no -- I'm understanding the intention to bring the stakeholders together, but what would happen if there was no agreement in the next two or three weeks?

>> Tovo: And that's where the provision on page 2 kicks in. And that is the proposed franchise -- the proposed amendment to the franchise that were there not to be an agreement and those -- and the franchise -- and the contracts are not in compliance with that section, obviously, the due process is now a moot point, but if that contract shot in compliance, the second page, please, with this provision within the year, then the term reverts to one year rather than five.

[8:38:13 PM]

>> Kitchen: So --

>> Tovo: For a five-year contract this would need to be met within the year.

>> Kitchen: So if I'm understanding correctly -- okay if I keep asking some questions.

>> Mayor Adler: Yes.

>> Kitchen: If I'm understanding correctly, doesn't matter where the breakdown is. So if the group of stakeholders cannot meet the agreement -- or cannot come up with an acceptable set of fees, then the franchise agreement expires. So even if the -- even if the -- you know, it doesn't matter who is not

coming to the table, in other words.

>> Tovo: It would expire within a year rather than five.

>> Kitchen: So regardless what happens, whether it's just that it doesn't get done or whether the city doesn't participate or whether the taxicab companies participate or whether the drivers can't come to agreement, then we're coming back in a year to redo all the franchise agreements?

>> Tovo: Or at least revisit that provision.

>> Kitchen: Well, the way this is written, the whole franchise agreement would expire.

>> Tovo: Well, again, I think we're trying to do the best we can with the time floodplain was an interest in. There was interest in trying to get everything nailed down so the contracts would be extended for a longer period of time. This is a pending issue. I think it's worthy of resolving. I think it's certainly an issue I've heard about for a long time. And I think having some certainty for the drivers of what their fees are going to be over a period of time, again, they would be assessed on an annual basis and those fee structures would be looked at on an annual basis, and I think that as -- again, as we've heard the franchises have indicated to us they're not shifting those fees frequently. And so allowing them the opportunity to have those fees looked at and approved on an annual basis I think allows them the opportunities they need to explain what their capital expenses are and per swaysively argue the fees needing to up when they needing to up.

[8:40:26 PM]

>> Kitchen: So my question might be then so is the thinking that -- I think I'm reading this to set a cap on fees as opposed to the clarity of the fees. So the concern is that the fees may be too high rather than that the fees are unclear. Is that correct?

>> Tovo: I would say it's -- I mean, adopting the fee structure will do both, it will set out what those fees are as a maximum allowable bundle.

>> Kitchen: I'm just suggesting that an alternative, if the concern is that the fees are not clear, then those could also be added to a requirement for what's in the contract, that the fees be clearly stated. You know, we just went through a process of saying the reasons for termination had to be clearly stated in the contract. But if -- you know, if the concern that you're trying to address is that the fees are too high, that's a different issue.

>> Tovo: The concerns I've heard, and I know we've probably all heard them, are that costs increase -- well, why don't actually, if I may, why don't I call up one of our representatives to explain why they've requested this provision. Whoever would be best from the taxi drivers association or the taxi drivers alliance. If you'd like to address why this is a meaningful provision to you. I believe I've heard a concern about escalation of costs as the driving factor, but let me hear it.

>> Thank you for the opportunity to speak once more, councilmember tovo. If you could just rephrase that question once more for me, please.

>> Tovo: Sure. The taxi drivers association has asked to us consider this provision for a lease cap and I wonder if could you explain why that was important to your membership.

>> Yes. There are several reasons, and they are not -- there's not just one fee, and even when we address the issue of a lease gap, we also decided to add some language in there that would set all fees charged to drivers because it's not just a terminal fee and the lease gap.

[8:42:41 PM]

But there can be additional fees that are added in there. Now, if you don't want an add that is placed on your car, you have to pay for not carrying that ad on your car. When you carry that ad on your car, there's no revenue generated from it. Only to the franchise, not to the drivers. So within the fee

structure we saw where the lease can be increased arbitrarily without any necessary explanation as to why these charges went up to the drivers. So it's not just one particular fee, but that there are several other fees that could be added in there at the same time. I'm not sure if I'm getting -- if I'm answering your question clearly. But it is a concern of the drivers. If you were to ask each individual driver separately what they think about the fees that they're paying now, everybody will tell you that it was too high and that it can increase over a short or a long-term period of time. So that's why our cap on lease fees that are charged to drivers was important to drivers. Am I clear enough on that, councilmember?

>> If I could just add a brief bit to what he just said. It is the term of the length of the period in the sense that a driver plans his life. If in the middle of a year he doesn't even expect it, it happens, it begins to -- you know, it completely forces him to reassess everything. Second, there are a whole bunch of fees that can be brought in and taken out. There's no clarity in terms of all the different -- you can be charged. What we are saying is that specify it or bundle it and say this is comprehensive and cannot -- and if you need -- if there are any more cost categories they need specific approval.

[8:44:43 PM]

Right? So it's a complete freedom they have to keep adding things. You know, for instance drivers used to drive -- two drivers could share a taxi, right? Then suddenly one fine morning, one of the franchises decided, oh, there's going to be an additional driver fee. That is both drivers are covered and struggled was an additional driver fee and then there was \$15 added on -- \$75 added on. Both the drivers were driving together. They were paying the same fee. They're paying one fee. Suddenly it went up by \$75 under the guise of an additional driver fee, right? So we were looking for a way to find a way so they just can't keep bringing in every new cost category that they feel like, right? So we want something comprehensive, we want it defined for a particular term so that drivers can plan their lives and have a little bit of stability -- economic stability.

>> Mayor Adler: Thank you. Further discussion on the dais?

>> Zimmerman: Just a quick note. There's uncertainty everywhere. You know, I get it about how the drivers don't like the uncertainty, but -- I'm not a franchise owner, and I'm not here to defend the franchise owners but they also face uncertainties, right? I guess maybe your argument is if they have an uncertain expense that comes in you want them to come back before council and have us judge whether they have an additional increase in their cost of doing business and we're supposed to approve it before they can raise a terminal fee? Again, it puts us in the middle of this relationship. You know, I just don't want to go there.

>> Two things there, two things there. One is the question of -- I mean, but, you know, every business plans -- every business plans at least for a year, year and a half. So we get a firmed fixed term so in the middle of something a low-income worker is not slapped on with \$75 extra per week which is \$300 extra per month.

[8:46:55 PM]

So that's one. It is the length of the thing. Every business has to plan some uncertainty and I'm just saying that the person who has the least economic part of the system shouldn't have to carry that burden, right? Are the franchises have to carry some of the burden. Okay, something changes in the insurance world, right, and it's just funneled down, right? They have to carry some burden. Let's say for the next seven months, eight months, right? They have to carry some burden in this. That's one. The second aspect of this is why shouldn't it be approved? So many cities do this. It is exactly what has -- what drivers across the country have struggled with because -- I mean, we're assuming that actually

there's a legitimate change and that is what is coming down. No, it isn't. Very often it is, you know -- it is for -- I mean, it is because maybe they're seeing that they want to find a way to get some drivers out. Right?

>> Mayor Adler: All right. Thank you.

>> Lots of cities, New York City, Philadelphia, Chicago, every city has adopted a lease cap as part of a modernization effort in creating a better and more balanced system.

>> Mayor Adler: Thank you, sir. Thank you. Thank you. Back up to the dais. Is there any further -- [applause]

>> Mayor Adler: -- Question or debate on the dais? Ms. Gallo.

>> Gallo: I have a question of legal, please. We seem to be talking about a lot of regulations and different items, and I just want to make sure that we're actually talking about things that we legally can regulate.

>> Well, again, it's Angela Rodriguez. As we discussed at work session, council does have broad discretion in this area. The limitation being for code, which is what we're speaking about right now, I believe, with regard to taxicabs and limousines specifically, the city's power is limited to ordinances that protect the public, health, safety, and welfare of the municipality.

[8:49:04 PM]

So council, while it has broad discretion, if council feels that any of these measures fit into this caveat, then they are within your discretion to regulate.

>> Gallo: Can you repeat that one more time? My brain is getting a little slow.

>> Okay. Council has broad discretion in this area. The only limitation is found in the Texas local government code with respect to taxicabs and limousines, the city's ability to regulate is limited to protect the public, health, safety, and welfare of the municipality. So to the extent that council finds that any of these provisions are a way of promoting the public health, safety, welfare of the municipality, the city may -- the city council may regulate it.

>> Gallo: Thank you.

>> No problem.

>> Mayor Adler: All right. Continuing in the debate on Ms. Tovo's amendment. Any further debate? We'll take a vote. All those in favor of Ms. Tovo's amendment please raise your hand. Three. Those opposed? The three voting were tovo, pool, and Casar. The rest voting no, with councilmember Houston off the dais. We are now back to 55 as amend with the kitchen management. Any further discussion? -- Amendment. Any further discussion? All those in favor of item 55 please raise your hand. Those opposed. Unanimous on the dais with Ms. Houston off. That's 55.

[Applause] That gets us to then 52, 53, 54.

>> Kitchen: These are the franchise agreements. Should I move them all together? Can I do that.

>> Mayor Adler: You know that better than I do. If they're amenable for that let's go ahead and try that.

[8:51:06 PM]

[Laughter]

>> Kitchen: They're all the same. I would like to move passage of items 52, 53, 54.

>> Mayor Adler: Is there a second to that? Mr. Zimmerman seconds it. Ms. Kitchen.

>> Kitchen: These are the changes to the franchise agreement ordinance, and I'll mention, again, what they are since it was a while back before -- since I mentioned them. Basically, first that we're extending the requirement to have a gps dispatch system to all the franchises. That's a requirement that's currently in one of them. The second that each franchise is extended for five years. The third that each

franchise is allocated an additional 50 permits in year one of the franchise, any increases in subsequent years is based on performance standards approved by city council, and then number 4, the maximum on number of permits is deleted. So there is no maximum on the number of permits.

>> Mayor Adler: Any discussion on 52, 53, 54? Mr. Zimmerman.

>> Zimmerman: I'd like to be recognized for a motion to change the renewal period from five years down to two years.

>> Mayor Adler: Okay. Is there a second to the motion to go from five years to two years? Ms. Troxclair seconds the motion. Any discussion on the amendment to go from five to two years? Ms. Kitchen -- Mr. Zimmerman, do you want to address it first.

>> Zimmerman: Go ahead.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: I would just suggest that -- I think we brought forward five years because that's what the last term was, is five years. I think that two years is not sufficient because I think what we need is some -- you know, from a standpoint of the taxicab companies in the business and the application process that they would have to go through again, I think two years is a little short.

[8:53:08 PM]

>> Zimmerman: Okay.

>> Mayor Adler: Is there another number other than two years and five years that makes sense to you or are you saying five years is the right way to go.

>> Kitchen: I'd prefer five. I mean, I'm -- others may disagree.

>> Mayor Adler: Okay. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. Well, I guess the reason for the two years is there's been a lot of very good debate, very good discussion here about some changes that could take place in addition to what we've talked about in our amendments. And there's also the issue of the co-op, right, the new franchise that would be a cooperative, and realistically that would take some time to put together. To me there's like a dual track. There's the possibility ability of the taxicab drivers to form their own co-op, that's one route. There's also some of the things that councilmember Casar had brought up. So I just think two years would be kind of a good time for maybe those things to coincide and we could -- because this industry is in transition so I think five years is what had been done in the past. I think that's too long now, right.

[Applause]

>> Zimmerman: Because there's change.

>> Mayor Adler: Further discussion on the amendment to go from five years to two years? We'll take a vote. Those in favor of the amendment to go from five years to two years please raise your hand. Ms. Tovo, Mr. Zimmerman, Ms. Troxclair. Those opposed raise your hand. Balance of the dais, Ms. Houston off. Any further changes or conversation on 52, 53, 54? Ms. Gallo.

>> Gallo: Just need clarification from legal. Sorry. So our intention -- do you have a copy of it?

>> Of the --

>> Gallo: All of them are the same.

[8:55:09 PM]

>> Yeah.

>> Gallo: So this is in part two, fleet size.

>> Yes.

>> Gallo: I want to make sure the language conveys what we're trying to do, which is after the first year

remove the limitation on the number of permits but in the first year of the extension from what they have right now they would be given an additional 50, and after that point there would be no limitation. And I just want to make sure legally -- the legal interpretation of the wording says that.

>> No. My understanding was that the cap on parnet was going to be deleted completely. That's what mobility committee discussed, is that -- was that not your understanding?

>> Kitchen: That's what she was just asking.

>> Okay.

>> Kitchen: It's okay.

>> First year? So no. Right now, what this language does, is take out the cap. It says you have to have at least 25, but it doesn't give you a maximum like it used to. But it does say within the first year they will be authorized to have 24 more, but after that first year it's dependent on the performance measures that council will adopt.

>> Gallo: Okay.

>> Okay.

>> Gallo: Thank you. I just wanted it to be clarified.

>> I apologize.

>> Gallo: No, no. Thank you.

>> Mayor Adler: For me that provision is real important because it puts everybody in this room in a position of -- where they have the ability to be able to walk and to go somewhere else if the conditions - at any company are not good and that company who obviously wants to have as many drivers as they can is put in the position of having to attract those drivers in order to provide good conditions for them in order to entice them to be in their shop as opposed to somebody else's shop. Ms. Kitchen.

>> Kitchen: And I would also add that as we've discussed in the mobility committee and as councilmember troxclair brought up earlier, the next thing we'll be discussing is how can we really be on an equal playing field with tncs and right now there's absolutely no limit at all on the number of drivers, and that's really where -- that's really where the competition is coming from.

[8:57:15 PM]

So.

[Applause]

>> Mayor Adler: Any further conversation.

>> I needed to clarify, I apologize, councilmember Gallo. It's 50 permits that they will be authorized in the first year, not 25. I misspoke. Just wanted to correct that.

>> Mayor Adler: Okay. Ms. Tovo.

>> Tovo: Are we going to take up these changes to the franchise agreement ordinances separately?

>> Mayor Adler: Only if someone requests that.

>> Tovo: I think I would like to request that.

>> Mayor Adler: That's fine. We'll do that then. We'll start with 52. Any conversation on 52?

>> Tovo: It was actually the amendments that would duplicate themselves through the three franchise agreements rather than -- it was the elements of the amendments rather than the individual franchises. If that makes sense. So, for example, -- well, let me just cut to the chase. I am not comfortable with the - setting the maximum number of permits. That's an extremely different process than has happened in the past. It certainly may work well. I like substituting performance standards but I'm not ready to vote in the affirmative on that. We've also heard testimony today suggesting that maybe the allocation of 50 permits to all three of the franchises may not be -- well, I guess it would make sense to vote on 41st because if there's no maximum after year one and that gets a majority vote, then the number of permits we allocate in 3 is sort of immaterial, but I think we've heard some good testimony from -- here today

that, you know, we have three cab companies with very differing levels of permits, and I would be supportive of allocating some, but not necessarily in the amounts we have here. But, again, if the majority council votes to waive the maximum number after year one, it's -- it would be immaterial to take up the second issue.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: I don't think it would be immaterial. Because the way this is set up is that this is -- it's set up for 50 in the first year, for each one.

[8:59:24 PM]

They're the same after the first year -- actually, any additional permits are based on performance requirements. So that's a different issue than the maximum. In other words, the no maximum -- no cab company is going to get more permits if they're not meeting performance requirements.

>> Tovo: I'm happy to take them up, all of them, separately then. In any case if I could at

>> Mayor Adler: Okay. Tell me how that happened. So there's a provision that says at the end of the year there is no limit, and you're proposing that to keep a limit, what limit are you proposing to keep?

>> Tovo: Well, I guess I would keep it at 50 and then reevaluate it. What were the other options that the committee discussed?

>> Kitchen: What the committee was doing was currently each one of these -- each one of these franchise agreements has language in it that says "And not more than 461 taxicabs," so that's what sets the maximum. We're simply deleting that language. So we are saying that we're not setting a maximum number -- an arbitrary maximum number of permits for each of these taxicab companies. What we're saying instead is you have to -- you have to perform in order to get more. And if you're performing well, then you can get more. I mean, that's essentially what we're saying.

>> Mayor Adler: So the city could, by operation performance, have a limit in any given year?

>> Kitchen: Yes, if the council wanted to approve that, because the performance requirements come back to the council for approval.

[9:01:30 PM]

>> Mayor Adler: Okay. So we could cover that then.

>> Kitchen: Yes.

>> Casar: Mr. Perhaps staff could provide an answer. Is there a reason why we have duplicated regulation on the number of permits in the franchise agreements versus the number of permits that we allocate by code? The reason for my question being that it seems maybe that we are not removing a cap on permits, we're just removing the duplication of regulating the number of permits in two different places.

>> Kitchen: There's no -- the -- the code doesn't have the number of permits in it, so the only place that has a limit on the number of permits is in the franchise agreement, and that's the 461. What the code addresses is what is the criteria for giving more permits. In the past, the criteria used to be a formula, which on second reading we changed to the performance standards.

>> Mayor Adler: Ms. Tovo?

>> Tovo: So as I understand it, the language that would be substituted currently, it would allow Austin cab -- their current franchise agreement allows them to have no more than 461 taxicabs. We're deleting that and allowing them to have, I assume, with this change, an unlimited number.

>> Kitchen: If they meet performance requirements, and as the mayor said, if the council later wants to put in those performance requirements that there's some kind of market consideration, we could do that.

>> Mayor Adler: So we could put in a limit as we saw how this was developing over time by working the performance criteria?

>> Mr. Mayor, Mr. Roberts, director of transportation. I'd like to add some clarity. Right now the number of permits even franchise has is limited in their franchise agreements, the ones that they're operating under now, and so, in fact, they're different sizes.

[9:03:33 PM]

One has a maximum of 461, the others are considerably smaller than that. And the only regulation on the number maximum permits is in the franchises. What the new approach suggests is that council would regulate the total number of permits out on the street, and as you've suggested, through performance metrics, those could adjust from year to year based on the performance. And so as Ms. Kitchen said, if a particular company was doing well against the performance, theoretically their Numbers could grow. I would assume that there's also a negative incentive, that if a franchise is not doing well, that they could potentially lose permits. But the total number of permits in the market would then be controlled by council through the code. That's the way I understand it.

>> Right.

>> In a sense we would come back to you on an annual basis, similar to the budget process, and propose an increase in the number of permits or stabilization in the number of total permits and then they would distribute based on --

>> Kitchen: We could also say that we didn't want to put any kind of limit. So, you know --

>> Right.

>> Mayor Adler: So we could put in a limit that allowed for movement. We could put in a limit that allowed for competitive market. We could put in a limit that enabled us to set up a system with the tncs that worked as that was developing and on a yearly basis we could reevaluate that to make sure that we were trueing up with how circumstances were changing on our streets. That was my understanding. Further discussion on this issue?

>> Tovo: I'm sorry, I need to ask Mr. Spillar to come up again. The current franchise agreements all say, and not more than 461 taxicabs. And I know -- I know that -- you know, I think I read this a minute ago, Austin has 176 franchise permits, yellow cab has 433, lone star has 103, plus they all have some special franchise permits, but I guess I really need -- what I really need to get clarity on, the removal of this, could they have -- could one of the franchises have a thousand cabs?

[9:05:52 PM]

Would it just be necessary for them to come prove to you that they've met the performance standards, that's a staff decision. We approve the performance standards but you approve whether or not they're meeting them. So you could approve one of these franchises to have up to a thousand -- a thousand cabs within the terms of these franchise agreements if we pass them as is today?

>> Mayor Adler: So there's two questions there, and I'll let legal answer one of them, but the first one is, is could one cab company grow to a thousand cabs or whatever. The concept that we have talked about with the mobility committee was that council would set a total budget for the total number of permits within the market and could also set criteria about how those would be distributed on an annual basis through the code process. And so again, we would come back to you for a recommendation, here's how the cab company -- different franchises, excuse me, met their performance characteristics, and this is how we propose to divide up the permits. And so I think council would have purview over that discussion to be able to limit it. The other question is about in the current franchises, whether each franchise is limited to a maximum of 461 or not. And it is actually different in each of the current

franchises that they're operating under now.

>> Tovo: All right. I think we must have a mistake on the ones on our dais then. But in any case, would this action --

>> A mistake, I'm sorry.

>> Tovo: Okay. So what -- thank you. What we're doing with this particular measure is moving the number of allowable cabs and permits from the franchise agreements to code?

>> Yes.

>> Tovo: Okay. Thank you.

[9:07:53 PM]

>> Kitchen: The other comment I would just make is the performance standards we have to approve and we have not done that yet. So they will be coming back to us, so we can also have this discussion at that time.

>> Mayor Adler: Any further discussion? Any reason to break up 52, 53, 54? Any further discussion on these items? Hearing none, all in favor of 52, 53 and 54 please raise your hands. Those opposed? It's unanimous on the dais. And we conclude with those.

>> Mayor?

[Applause]

>> Mayor?

>> Mayor Adler: Thank you. Yes?

>> Houston: Please show me voting on 55. I was off the dais.

>> Mayor Adler: The record should reflect had Ms. Houston been in the room she would have voted yes.

>> I want to say thank you to all of you who have been here a long time this afternoon and been here over multiple meetings because I know as you sit here you are not making money driving your taxis and cabs so thank you for spending time in the effort to be with us tonight.

(No audio) Continue to work with us as we look at the ground transportation and continue it work for an equal playing field.

[Yelling from the gallery]

>> Mayor Adler: Okay. Homestead exemption bill, I'm going to try to let some staff go here on some items that I think we hopefully can handle quickly. Let's call up item 40. Staff and people that were in the room.

[9:09:54 PM]

Item no. 40 is something that was pulled by Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. Give me a minute --

>> Mayor Adler: Do you want to speak on 40? I'm going to pull up 40, then 63, then I'm going to call up 35. No, I'm going to call up 40, I'm going to call up 29 and then 63 and 35, in that order.

>> Zimmerman: Thank you, Mr. Mayor. On item 40, the main reason I pulled this is I was trying to get information as a certificate of obligation. Some of the others I wasn't so sure. I think it's \$80 million total; is that correct?

>> Mayor Adler: Yes.

>> Zimmerman: So I was trying to find out from staff what that 5% number would be of voters who would be able to put this on the ballot for a vote. That was one of the questions we asked. Is anybody here to talk to that?

>> Mayor Adler: We have staff coming. So your question, first one is?

>> Zimmerman: What is the 5% -- the number of 5% of voters that would have to sign a petition to get

this on a ballot for voter approval?

>> Mayor Adler: Is it the standard of --

>> Good evening, council members. Leela fireside for the law department, and I believe that our chief clerk has -- our city clerk has calculated the number to be -- and put the information in the answers to the council question and answer.

[9:12:05 PM]

And she'll correct me if I'm wrong, as voters come on and off the rolls, but it's right around 25,500 voters.

>> Zimmerman: Okay. That's good enough for government work. I appreciate that. So I guess one of the interesting things is some of the items in here had been, I think, approved by prior councils, right?

>> Yes.

>> Zimmerman: Okay. Could you go through just the items maybe in order of their -- of how large the items are? Some of these are pretty large. And others are smaller, and they're kind of -- it's a Po potpourri of uses.

>> Yes, I can. Elaine hart, chief financial officer. There were several reimbursement resolutions that were approved by the prior councils. There was one on September 8 of 2014, which was part of our budget readings. That included three projects, \$5 million for the fire station improvements, 1.3 million for the golf course improvements at jimmy clay golf course, and \$12.5 million funding for the new central library. There was another reimbursement resolution that included the 30.3 million for the Seaholm redevelopment project and garage, and that was approved on June 7 of 2012. On September 13 of 2011 as part of the budget readings, the council adopted a reimbursement resolution for \$11,055,000 for the waller creek tunnel project, and then finally last summer on June 26 of 2014, item 66 approved -- reimbursement resolution, the total amount of it was 35.5 million.

[9:14:23 PM]

We're actually proposing to issue the final 20.5 million of that amount with this notice of intent.

>> Zimmerman: So if we vote to approve this, what would it put our current general obligation if we added in this 80 million?

>> It would put it at 1,000,000,004, about 1,000,000,420.

>> Zimmerman: No, I meant the certificate of obligation portion, because there are some voter approved debt -- this is nonvoter approved debt.

>> It is. It would put -- you're correct. The cos, the certificates of obligation currently outstanding are \$204,950,000, and this adds 80 million, so it would be 284, roughly \$285 million, which is currently the 204 million represents about 15% of our total go debt, but of that about 11% of the 14 or 15 is self-supported by other revenues. They're nontax supported certificates of obligation.

>> Zimmerman: Okay, but these -- the cos you're referring to here, they are -- they're out of the general fund. They're not other enterprise, right? Or not.

>> They are issued as a taxable -- tax-supported credit because it has the aaa rating, and, for instance, the watershed home buyout program which is funded by the drainage user fee, that utility does not issue separate revenue bonds supported by the drainage utility fee. So we use our cos, but the debt service requirements on those cos that are related to those projects are funded from the drainage utility fee.

[9:16:25 PM]

So they're called nontax-supported cos. But they are issued as -- as our tax supported cos are to gain the better interest rate of our aaa rating, which is a better rating than a drainage or utility would have. It lowers the interest rate and the ultimate cost to the taxpayers, and ratepayers.

>> Zimmerman: Okay. Did I understand correctly that if you lump these together they would be sold as one package of 80 million and then the proceeds would be distributed to the various programs? Or to the --

>> That is typical, and we track each of the projects separately, and we track the funding sources separately.

>> Zimmerman: So on the library and the waller creek tunnel -- I guess I'm not understanding the part about how any of these can generate income, because it looks like they're just going to cost more and more money.

>> The library cos are proposed to be paid for out of the debt service property tax rate. That is one that is tax sported. The waller creek tunnel is supported by the tax increment financing zone that was set up to project -- to provide an estimated \$100 million to pay for the waller creek tunnel improvement. And we've issued tranches of 25 million cos to pay for that project over several years.

>> Zimmerman: Okay. Thank you. That's helpful.

>> Mayor Adler: That's further conversation on this item no. 40? Ms. Troxclair?

>> Troxclair: So I -- I guess I was under the impression -- I asked at work session on Tuesday where -- when they had had been approved, and I guess I was under the impression that they have been approved in the last budget cycle.

[9:18:31 PM]

I didn't realize that we were going all the way back to resolutions that were passed in 2011.

>> We are. Sometimes -- we're trying to match the issuance of the debt with the project phase and the project construction, and I know on the Seaholm project there were a few hiccups and that one got delayed. But we do keep track of all the reimbursement resolutions and match them up with our planning for our debt issuances. So in this case we do have one from 2011 -- the Seaholm project is from about the 2011 time frame.

>> Troxclair: So are there other capital projects out there from previous years that aren't included in this list, like next year are we going to get a new list and it's going to have something from 2012 or 2013 or? All -- -- is this all -- is this all of the projects?

>> No, it's not. You will get another list next year. I can't tell you exactly what the list is. Remember we used certificates of obligation for emergency projects between bond elections, or opportunistic projects that may come up, like a land purchase that becomes available or something of that nature, that we could not have foreseen and did not plan for in the last bond election.

>> Troxclair: Sure. I guess I'm trying to understand if we have more projects -- or if this is a compilation of several previous years and there's more projects out there that aren't on this list, who makes the determination, who gets to pick what's on this list? I mean, I want to know all the projects that we have the ability to fund and then it seems like --

>> Sure.

>> Troxclair: -- We should be able to choose.

>> Well, all of these projects are planned in your capital budget, so we don't undertake a project that's not within the capital budget because these are debt funded and we match the project asset that's expect the asset life of the project with the cos. Typically the cos are for real property, land or some sort of improvement to property. But those are planned during the capital budget and the five-year capital improvement program.

[9:20:35 PM]

And so they will come to council each summer as we do our proposed budget, so you have the opportunity to see the project listing and the plan for the next year of construction then. In addition to that throughout the year if there's an opportunity that comes up, we will bring to you an appropriation bill or an amendment to amend the capital budget paired with a request for a reimbursement resolution. So you would have the opportunity in that case if -- if -- if there is a piece of property that came available and the council wanted to buy it, and you had never planned for it, we would bring (no audio), and the vehicle to pay for it, which would be the reimbursement resolution that says we plan to issue debt in the future to pay ourselves back today -- or, you know, in the future, to pay for that. So we'd bring both actions on the same council agenda. We don't pair them differently. So the council itself would say, yes, I want that property, and yes, I want to issue cos with it. Once you do the reimbursement resolution, then once a year we come back and we pair all of those reimbursement resolutions together that we need the funding for, and we (no audio) And that sort of thing. But that's why we presented the schedule to audit finance committee last year because it's an annual process, and --

>> Troxclair: So are -- so in the beginning of that answer, did you -- did I understand you correctly that these -- this specific set of projects was discussed and put together during the last budget cycle?

>> They were already in the budget.

>> Troxclair: All right in the budget. Okay.

>> They were already --

[9:22:35 PM]

>> Troxclair: I understand future projects and I understand how this works going forward, but I am -- again, I didn't realize that these were things that were left over from 2011 and I'm also hearing that there's other projects out there that I don't know -- I don't know what I'm choosing as the projects that are on this list over all of the rest of the projects that we could fund that are floating out there. And I just -- I don't know what the -- how I can justify the prioritization if I don't know what those other projects are.

>> The prioritization is based on what's already appropriated, what's been spent to date against those appropriations and what's been encumbered. So how much we need to reimburse ourselves. And so that's the basis for it. You may have other projects out there that we've not spent any money on, and so I don't need to issue the bonds to reimburse myself because I haven't spent the money. And so that's the situation we were in with the Seaholm projects. We hadn't spent the money during this past few months we had, or we anticipated or it's encumbered, and so we need to reimburse ourselves and get that money back in -- into our balances. And so that's a factor that we consider in bringing these forward to the council.

>> Troxclair: Okay. Thank you.

>> Zimmerman: And one more question. Maybe this will go to the mayor, to the city attorney. On an issue like this, if I wanted to divide the question and say, I'd like to pull out the new central library, the 12 and a half million. That one bothers me a lot because this one was put on the ballot in front of voters for, I believe it was 90 million. Is that right? It was put on the ballot for 90 million, and it's up to what, probably 130 million or so now, through certificate of obligation additions of piling on the debt and the cost or -- wasn't it put on the ballot at 90 million to voters?

>> Greg canally deputy cfo.

[9:24:38 PM]

In 2006 there was a bond election that included 90 million for the library. In 2010 the city council approved a funding plan to amend that project budget to include -- increase it to \$120 million, and that council approved funding plan included the issuance of bonds in order to get to that \$120 million. What you're seeing here today is in terms of the prioritization, the prioritization is really done at the approval of the capital budget when council approves the capital budget each year. These are the funding actions to fund the previous council actions in terms of appropriation. So in terms of funding this -- in funding this, selling the debt for this \$12.5 million existing appropriation, that project is already under construction and there are contracts in place to continue building that project.

>> Zimmerman: And so do I have any assurance that I'm not going to get hit with another 10 million or 15 million next year or --

>> I think, council member, we can certainly -- I think the question is what -- again, the way we work our cash management around our entire cip program, it starts with the -- both the overall five-year cip planning process. You see that in a capital budget each year the annual appropriations by department are spelled out, and council approved that. That comes as part of your budget ordinance. Along with that budget ordinance there is also a funding plan for that appropriation, whether that is cash funded or bond funded from a voter approved bond or other bonds that we need to sell. We then take those council ordinances and we lay out from a cash management perspective the most opportune times to sell that debt. It is an opportunity, we want to make sure we don't have too much cash on hand so we're not paying interest costs on debt we're not spending down. We try to manage our overall cip program to have a balance of about a zero balance, so we just have, again, just the right amount of cash to make our funding. In terms of -- so we do have prior budget actions, council actions, including bond appropriations and reimbursement resolution that is we still need to fulfill, and we can certainly provide that information to you kind of a forward look on existing appropriations in the capital budget that still require debt to be sold both public improvement bonds, which are voted by the -- put in place by the voters, as well as other debt that the city council has previously authorized.

[9:27:00 PM]

We can't certainly provide that schedule to you.

>> Zimmerman: Okay. I'm asking for that, yeah. And in the software, I believe it's code 8507 for cip for the library, 8507 is one of their codes. But just send that to me and let me look at that. Okay. So I have a quick question, Mr. Mayor. Is it possible for me to divide the question here on this package and pull out the library? How would that work? I'm just asking how that might work?

>> Mayor Adler: What would be the ramification of not approving the bonding for --

>> We can't hear you at all.

>> Mayor Adler: I'm sorry.

>> Houston: No wonder.

>> Getting late.

[Laughter]

>> Mayor Adler: What would be the ramification of pulling out of the bond the library in light of the fact that the city council already authorized that spending using this bond, and I assume the project has been proceeding consistent with that.

>> Well, first of all, the action you're asked to do today is to approve the authorization for us to make an advertisement in the newspaper that we intend to issue certificates of obligation for these projects. We will continue to look at this list and refine the Numbers to the extent that we can, so this is the maximum that we're putting the public on notice. So my ask would be that you go ahead and approve the whole list today and that we could come back at a later date to give you that information. What

ultimately would happen is, the library project would go negative cash. Now, that can be handled by the city, but it's not a practice that we in the financial world like to do, especially when we have already spent the money. And so on this project it's well under way. It is expected to be completed in November of 2016, so we'd like to continue to fund a project that has been a long-term project that this was the plan for --

[9:29:15 PM]

>> Mayor Adler: I understand, but it could have us go negative cash. So Mr. Zimmerman would move to take out of this bond package the library. Is there a second to that motion, that amendment? Hearing none, it's not taken out. Any further discussion on item no. 30? Ms. Houston?

>> Houston: Yes, I need to -- some of you may not know, but I've had a lot of interest in golf here lately. Lately.

[Laughter] , And it relates to jimmy clay. Because of other interests that I have in golf, there have been some suggestions from the parks and recreation department about how to reduce the greens using different kind of grass that doesn't require watering, and so have we circled back to parks and recreation to see if that million three is the correct amount for this particular item?

>> I can't answer that directly, but I do know that the parks staff is doing the work themselves. They're not contracting out. So I believe that their department leadership would have directed them to look at the appropriate greens, and the green MIX.

>> Houston: Well, this didn't come up until lately, so if this was done last year in the capital budget, then the issues about the kinds of grass and how we grow grass on the greens and not in the rest of the -- on the course had not been -- that hadn't been discussed at that point. So I'm just asking if we could check back with them to see if that 1.3 million is still appropriate or maybe it could be reduced.

>> We certainly can. I know that they have spent about half of that, or encumbered it. But I'll certainly be glad to check with the parks department leadership.

>> Houston: Okay. So one other question. So all of these things we're looking at tonight have already started and we're just funding more money to them?

[9:31:17 PM]

>> Yes, jimmy clay is our golf course improvements, are already under way. In fact, they were expected to be on-line and earning golf revenue again by August. However, I think the last month rainfall has delayed that construction, but yes, these projects are all under way.

>> Houston: Thank you.

>> Mayor Adler: We're continuing on item 40. Any further conversation? Hearing none, all in favor of item no. 40 please raise your hand. Those opposed? Troxclair with kitchen off the dais. That gets us to item no. 29.

>> Zimmerman: Thank you, Mr. Mayor. This is another simple one too to try to tie this to the budgeting software. So if you could just give me the details where I could find that in the city's budget tool, you know, what the codes are and how I look that up and how I track, you know, this item in last year's budget. That's why I wanted to pull this and talk about it.

>> I'm not quite sure that I'm the right person to answer that question.

>> Mayor Adler: Yeah, it would be a budget person, so is Greg still here?

>> Zimmerman: And if you don't have the information you can send it to me.

>> I don't have the codes right in front of me. We can absolutely give you that information quickly. Probably get it to you before this meeting is over.

>> Zimmerman: Sounds good to me. Thank you.

>> Mayor Adler: Any on 29? All in favor of 29 please raise your hand. Those opposed? One vote against, Houston, with kitchen off the dais. Thank you. That gets us to item 63.

[9:33:32 PM]

63 is the item. This is the public hearing.

>> Good evening mayor, mayor pro tem, commissioners. I'm Christopher Johnson with the development services department. This item is a request for a waiver from the 300-foot separation requirement for a business selling alcoholic benches near the cool school it is for a proposed CVS pharmacy at 1801 on Parmer lane, south side, the effected one is southwest Parmer lane school, Parmer lane on the north side.

>> Mayor Adler: Thank you, we have no speakers notice. Is there a motion to close the public hearing? Moved by Gallo, seconded by pool. All in favor of ending the public hearing raise your hand. Those opposed? Unanimous on the dais. Kitchen off. Does anybody have any questions about this? Anybody want to discuss this? This is the waiver request for the CVS pharmacy. Discussion? Ms. Tovo.

>> Tovo: Just a quick follow-up from our work session discussion. There had been a question raised about whether we had a sense of what the story was with the pflugerville independent school school district's decision on -- decision not to weigh in on cases, and if it had anything to do with their having weighed in in favor on the previous case. And I think there was some discussion about whether or not it would be possible to contact the pta. So I don't know. I mean, we've all been in meetings pretty well nonstop since then so I don't know if anybody had a chance to do that, but if so I'd love to hear about it.

>> I did have my staff make some contacts, and

(indiscernible) I.s.d. Does on these matters. They don't have separate positions, and I know that Michelle lynch is here, who could speak further possibly to that, but my understanding is that back in 2010 the I.S.D. Had approved and supported a waiver for the walgreen's across the street, which is next door to the elementary school.

[9:35:42 PM]

Since then they have changed their policy so they take no position one way or the other, and the CVS is on the other side, the south side of Parmer, and it's further away from the elementary school than the CVS that currently has the waiver to sell beer and wine, I think. Yeah.

>> Mayor Adler: Okay, Ms. Tovo?

>> Tovo: Just to clarify, so the pta -- neither the pta nor the school district will weigh in on this sort of case any longer?

>> That is correct.

>> Tovo: Okay. Thank you.

>> Mayor Adler: Mr. Casar?

>> Casar: And I had asked some questions in work session about what percentage of the alcohol sales -- of overall sales were alcoholic and the answer was an estimate of 5%. So I do feel comfortable moving forward on this case. I just did not want to set precedent without thinking about it because we obviously see precedence being used in the cases put before us. So I'm comfortable with moving forward because it's 5% and it is a pharmacy and there isn't outdoor alcohol consumption within 300 feet of a school, and I'm interested in considering or having further conversations about if we can get commitments to hold to those percentage points, and I'm also happy to know that this doesn't go with the land, it goes just with this particular business owner. So I feel confident that with a pharmacy it probably won't be going to 50% anytime soon.

>> Mayor Adler: , You know, it's easy to have a policy when we just would defer to the school or the pta.

If they're not going to weigh in then it makes it more difficult. I would really like us to come up with an overall policy. I'm uncomfortable with us crafting that from the dais. I mean, I might be comfortable with a higher percentage of alcohol sales if it's a sit-down restaurant. You know, it's a different kind of operation that, you know, a cash and carry. So --

>> Casar: Mayor, I wasn't saying this would be my policy but rather that it seems so minor.

>> Mayor Adler: No, I'm just saying I'm comfortable with doing this one as well.

[9:37:42 PM]

I would like for us to figure out how to craft the policy so when it comes back to us we're not doing it on an ad hoc basis or the next one that comes up to go to the committee, to maybe give a authority to what an overarching policy might be with respect to one of these. Further comments on this item 63? Mr. Zimmerman?

>> Zimmerman: Thank you. District member, council member pool from -- no objections from your side on this?

>> Pool: That's correct.

>> Zimmerman: Thanks. That's good enough for me. I'd like (no audio).

>> Mayor Adler: Someone move to the passage of 63.

>> I do.

>> Mayor Adler: Ms. Pool moves, Casar seconds. Any further conversation on 63? Those in favor of 63 please raise your hand. Those opposed? It's unanimous on the dais. No, except for Ms. Houston. Okay. We'll now continue with item no. 35.

>> Thank you.

>> Mayor Adler: Thank you. Item no. 35. Item no. 35 was pulled by Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. This was another budgeting question. I see we have our expert here. So again this 2.5 million out of the operating budget, right, of Austin energy? If you could again kind of tell me how to connect the dots here with the pike electric award here. I guess this one is 5 million; is that right?

>> That's correct.

>> Zimmerman: Total contract not to exceed 39 million.

>> Correct. This is an amendment to add additional spending authority and authorization to an existing contract, just because of the rate of construction and activity within our distribution area with all of the growth in Austin, it's been higher than we would have anticipated when we set the prices on -- or the annual amounts on this five years ago.

[9:39:50 PM]

So with this particular project, actually receives funding both from o&m and from capital before responding to a storm, like we were just a couple of weekends ago. Pike will be out there with us, helping us reassemble the system and get customers back in service and that type of thing would come out of our operating funds, but also they participate in construction out of the capital fund.

>> Zimmerman: So that's another question that I had. It's interesting that, yeah, if you have a storm come in or something and there's some kind of damage, you end up with equipment or transformers or what have you, so you may have to have an unexpected dip, right, into capital expenditures, but you're also -- it's also kind of considered operations and maintenance?

>> That's right.

>> Zimmerman: So that was my difficulty in just trying to follow this budget-wise. And how the budget that was in place last year, here comes a big lightning storm and it blows up some transformers. How

was that situation handled, or their flood comes in and ruins some equipment. How is that handled in budgeting?

>> So in the budgeting we try to look at historicals and figure out kind of what the trend has been, both on the construction side as well as on the operations and maintenance side, because our o&m expenses do go up any year when we have a lot of storms compared to a year when we don't. So we try to pick when we're asking for our budgets -- we try to establish what we think the Normal is going to be based on economic forecasts on the capital side, and just based on history with regard to the o&m side.

>> Zimmerman: That works for me. If you could just please send me an email with some of the details and tie the codes into here and help me break that down, that would be fine.

>> I can do that.

>> Zimmerman: Thank you.

>> Mayor Adler: Sounds good. Any further conversation on no. 35? Is there a motion to approve no. 35? Ms. Pool? Seconded by Ms. Tovo.

[9:41:50 PM]

Any discussion? All those in favor of 35 please raise your hand. Those opposed? It's unanimous on the dais. Ms. Tovo, how are you voting?

>> Tovo: Oh, I'm sorry.

>> Mayor Adler: Yes, unanimous on the dais. Just want to make sure. That gets passed, 35. Let's go ahead and handle no. (Indiscernible) Homestead exemption. I point out to the council we have one, two, three, four, five, six, seven, eight items left. We have 25 speakers. Signed up to speak. We've been advised that item no. 19 would be something that would be up and down. You pulled this, Ms. Houston. Do you want to take a look at that real fast, see if that's true? Okay. Everybody, hang on.

>> Houston: Mayor, I have a lot of questions about this one, so I doubt if it's going to be up and down.

>> Mayor Adler: Okay. Let's go back, then, to no. 10. Okay, so no. 37. We're going to handle some here real fast. 37, Ms. Gallo, you pulled that. Do you want to address that?

>> All right. No. 37? Okay.

[9:43:51 PM]

>> Gallo: I pulled this just primarily to say thank you to the x-games for not requesting a fee waiver and paying for all the additional costs of public safety. And once again, it's not to have any discussion but just to say thank you for a for-profit company stepping up to the plate, not asking us for fee waivers and paying the cost of the additional public safety. So with --

[applause] With that I'd like to make a motion to approve.

>> Mayor Adler: Is there a second? Ms. Houston seconds that and we have one speaker to speak, David King.

>> Yes.

>> We did what you wanted us to do.

[Laughter]

>> Yes.

>> Gallo: Do you really want to talk?

>> Thank you, mayor, and council members, and council member Gallo, yes, I -- I echo your comments there. Thank you very much. I just want to say that, you know, the fees -- I think we really need to look at the fees, how much we charge for these events, and look at making some adjustments there to really -- really capture the full cost that we incur for these events. So I am very happy that they're paying their way, but I think we need -- we really need to look at these fees and the level of these fees to make sure

that although they're paying them, what they're supposed to pay, are those fees high enough, really, to recoup the cost to the city and thereby the taxpayers. So let me give you an example here. The ticket prices for this event range from \$59 per person to \$1,300. And 2014 x-games, there was over 160,000 -- average price of \$59 per ticket. That means they made over \$9 million but we know the average price of \$59 is way low. My point here is they're making good profits, and good for them. That's what this is all about. It's supposed to be a win-win.

[9:45:51 PM]

We get tax money, sales taxes and tax money in the city for this. That's really good. But what I'm asking is we really take a look at the impact, are we charging enough to close our streets and are we considering the impact that those street closures have on the citizens who live here in downtown, and the -- and the loss of time that they have to now go around and detour around these events. So I'm really asking the council, thank you for look at the level of those fees and make sure that they are commensurate with the cost of the city and the impact on our citizens. Thank you very much.

>> Mayor Adler: Thank you.

>> Mayor?

>> Mayor Adler: Yes, Ms. Tovo. I'm sorry, who was -- who said mayor?

>> I did. I just -- I guess I am not -- this is probably a question for our staff, but this is an approval -- this isn't an approval of a street closure for today, so I'm not understanding why it's on our agenda for today and what would have happened

(no audio) Didn't approve it. I've already seen the huge pile of dirt out there.

[Laughter]

>> Gordon, (indiscernible) Director of the Austin transportation department. So the x-games began working with staff, I think, six months ago. Within the last month we've been made aware that they were going to charge a separate fee for the event on congress avenue. And under the code, if they're charging a separate fee, that needs to be approved by council. So we apologize, but we were not as staff made aware that they were going to be charging this fee until about four weeks ago. So we actually -- Frances says that they only sold tickets to a thousand people because they were afraid they were going to have to refund the tickets if (no audio) For them.

>> Troxclair: So you're saying -- I guess I don't understand that still, because if there's an event that's on congress and it's a free event and the road is closed, we still have to approve that closure.

[9:47:59 PM]

What is the connection between charging a fee for the street closure?

>> The city code says if a fee is being charged, that the council needs to see that, and I assume it's because of the contractual relationship between the event and the council needs to approve anything of that sort. If they did not charge fees, it would not normally be anything that came to council.

>> Troxclair: So we don't have any events that require street closures that are free, that are approved by council?

>> We do.

>> Troxclair: They're just not approved by council?

>> And those do not Normal see unless there's protests and we need to override those protests.

>> Troxclair: Thank you.

>> Mayor Adler: Ms. Pool?

>> Pool: I think mayor pro tem will speak for me but I don't want to give up my place in line, so --

>> Mayor Adler: Okay, Ms. Tovo.

>> Tovo: Yeah, thanks, that was the question I've been waiting to ask. I just think it's -- with all due respect, I think it's completely inappropriate that we're being asked to approve a street closure that happened four days ago, and I just have -- I'm just not going to be able to support it. Obviously it's already happened, but I just think this is a practice I really (no audio), and if they've missed the deadline to come to us and ask for -- and ask for approval to have a street closure and charge, then they've missed the deadline and they have an option and that's to have free tickets, not to -- not to come and ask for -- you know, it's one thing for us to approve a fee waiver for an event that's happened. It's another thing for us to approve the use of a street after the street has been closed for four days. So -- but then just as another point, I appreciate that they are paying their fees this time. They have gotten support from the city in the past, maybe not on fee waivers but on financial assistance, but -- but in looking at these fees I would say \$6,400 to close kind of the main street of Austin is pretty low. So that's on my short list of things to look at, to increase our charges for street closures, especially in our downtown where it is extremely disruptive to places of work.

[9:50:08 PM]

Now, it is people like to go, and it's great and it boosts tourism and it's great for residents but I think it needs to be a balance and we need to charge more.

>> Mayor Adler: Ms. Pool?

>> Pool: I had noticed that we were being asked after the fact to approve the street closure, and so I submitted that for question and answer and pretty much got the answer that you gave here tonight. So what happens if we vote this down? I mean, it's pretty moot, right?

>> Zimmerman: Yeah.

>> Have to refund.

>> In theory they would have to give money back to those thousand people they sold tickets to.

>> Pool: Which would be essentially impossible.

>> I won't speak to that.

>> Pool: Well, let's endeavor not to put the city in this position again. Thank you.

>> Mayor Adler: I'd say we should strive not to do this. I think the point is well-taken. Mistakes happen. I've made mistakes. It sounds like people made mistakes on this one. I'm fine with approving this and moving forward. Any further debate or discussion on this item? What's the number? 37. All those in favor of item no. 37 -- do -- we had a motion and second. All in favor of 37 please raise your hand. Those opposed? All in favor, Tovo and Zimmerman voting no, and Houston abstaining. Thank you very much. That dispenses with no. 37. Let me ask about is this. We have other items -- 19 was pulled by Ms. Houston but that might take some time. We have no. 23, it was pulled by Ms. Gallo. Do you anticipate that one would take long? It's a purchasing decision.

>> Gallo: It was a very, very large sole source purchasing, and so my question was going to be of staff, why is this sole source?

[9:52:17 PM]

>> Which one?

>> 23.

>> Was it 23?

>> Mayor Adler: 23.

>> Mayor and council, James Scarborough, purchasing. This particular item was solicited and competed as an invitation for bids. It did happen to receive or result in a single offer received but it was competed. So a sole source would be an authorization to excuse or not seek competition. In this case competition

was sought. We just received one bid.

>> Gallo: Can you tell me how many requests were sent out or how many bid packets were sent out?

>> Sure. The solicitation itself was posted and made available to the public on the city's web site. It was also advertised through the -- the Austin statesman. 78 notices were sent out to vendors who have registered in Austin finance on-line.

>> Gallo: And vendors that provide this type of service?

>> We send out notices based on the company's election of commodity code, so they tell us who they are and what they would like to receive notices on. We don't know if they actually sell these things. We just send them notices based on their interest to be notified of these opportunities.

>> Gallo: Okay. I just -- we -- staff just did a quick Google of other companies, and there was one in Fort Worth, and I just was curious. I mean, it's good that we have somebody that provides it, but it's such a huge amount of money, it just concerns me when there's only one bid that we get.

>> Understood. The background on this, because it is a large sum of money, we did not seek to try to authorize it as a sole source, but our history would this particular purchase, since 2004 we've only received bids from this particular company. Because of the frequency of the deliveries, proximity from the contractor to the water locations is a necessity, and also the type of truck that they use has to have certain equipment so that it can deliver the material to the various water treatment plants.

[9:54:31 PM]

So it's a unique requirement. There are other companies that provide it, but within this area with this equipment, with this type of frequency, it happens to be one.

>> Gallo: Okay. Thank you, that's very helpful. I appreciate it and I'd be happy to make a motion for approval.

>> Mayor Adler: Ms. Gallo moves to pass no. 23. Is there a second? Ms. Kitchen? Any further conversation on 23? Hearing none, in favor of 23 please raise your hand. Those opposed?

>> Abstention.

>> Houston: I oppose.

>> Mayor Adler: So it's all in favor Zimmerman abstaining, Houston no and troxclair off the dais. What about these next two Numbers here, 29 and 30? Mr. Zimmerman, do you think they'll take long?

>> Zimmerman: These are quick, Mr. Mayor. These should be quick.

>> Mayor Adler: Let's go with 29.

>> Zimmerman: 29 is relating to connecting the dots and purchasing the software --

>> Mayor Adler: I'm association it's 30. We already did 29. So it's 30 --

>> Zimmerman: We did 29, you're right. It's the same question on 30, but also I had some concerns about this one being the fact that we have a staggering amount of content that's now on-line, recorded media of all kinds. We're really, again, struggling to see how recorded books, if anything is a commodity, right, it would be recorded books, but I guess maybe is there a particular issue that this content is copyrighted by one particular company or one particular source? Is that what it is?

>> Brenda branch, director of libraries. Authors contract with particular vendors, and this vendor of audio books, unabridged audio books, has the authors that we need, and it is the sole source.

[9:56:32 PM]

They -- the authors only contract with this particular vendor.

>> Zimmerman: Okay. And so what would be very helpful here is to understand -- I mean, how many people are utilizing -- you know, what is the demand for this particular -- or these authors that are sole sourced? And I guess with -- the point being that there is just a staggering amount of media and content,

you know, world over that's accessible through internet means, smartphones, web browsers, you know, download sites. There's an explosion in on-line content. So when I see this huge number next to a sole source, it just raises red flags.

>> Our circulation on audio books has increased by 8% over last year. We had 2 --

>> Zimmerman: What to what? 8% of what?

>> Last year 201,245 circulations of audio books. 13 -- that was in '13. '14 was 216,834 circulations.

>> Zimmerman: And what does a circulation mean exactly?

>> Times that the audio book went out, was checked out by a customer.

>> Zimmerman: Okay. And how many customers total do we have that are checking these out?

>> We have about 500,000 --

>> 450 show.

>> 450 -- 450,000 registered buyers.

>> 450,000?

>> Yes.

>> Mr. Mayor? Mr. Mayor?

>> Mayor Adler: Yes.

>> It might be helpful to council member Zimmerman to think about who's using these. You know, a lot of our elderly folks, for example, it's the only way that -- they can't read anymore. So it's the only way that they can get access to books. I know a lot of people that use audio books that way.

>> Zimmerman: Right: But there's an unbelievable number of sources from which you can get audio books.

[9:58:33 PM]

>> Pool: These are also free.

>> Kitchen: Yeah, they're free.

>> Zimmerman: No, they're not free. Taxpayers are paying for them. It's a very important point. They're not free.

>> Pool: It's a community asset that this community really highly values, and the fact is these audio books are returned and checked out numerous times. So the one audio book is in the hands of many different people over a long period of time.

>> Mayor Adler: Is there any further discussion on this item no. 30? Ms. Tovo?

>> Tovo: Mayor, I just wanted to move approval. I'm a big fan of audio books. I think they serve a lot of readers.

>> Mayor Adler: If there's no further conversation we'll vote. In favor of no. 30 please raise your hand. Those opposed?

>> I'm opposed to sole source.

>> Mayor Adler: All in favor, two voting know, Zimmerman and Houston. That gets us to item no. 31. 31 was pulled by Ms. Houston, and 32, and you're thinking they might be

>> Houston: I think we can take those two together so that the -- the emts can go home tonight. The question is, is this a preference of the medical director that we use this sole source company in both cases? And is the scope of work written in such a way that we're targeting a specific vendor? And what do other -- are these the only two companies that make this kind of equipment in the whole United States?

>> James smart, chief of staff, austin/travis county ems. Councilmember, item 31 is a medical device that has a patent, and that patent is active. So they are the only company that manufactures and sells that device. And the device is used when resuscitating someone in cardiac arrest. The medical director has selected the use of that device because the research shows that the outcome of those patients with

it compared to without it is greater.

[10:00:41 PM]

>> Houston: So every ems company in the United States uses this?

>> If they use this device, this is the one they have to use because there's no other manufacturer of it.

>> Houston: So there's no other devices, I guess, the question -- there's no other device that people could use? This is the only one out there?

>> No, ma'am. That is correct. If the ems system, the medical director decided that they were going to include the itd, which is the particular device that hooks between the tube that goes in the lungs and the bag mask, this is the only one out there because of this patent. The only company that sells one.

>> Houston: But there are some other companies that could R resuscitate people that --

>> Medical device when we try to resuscitate a patient, but the medical director has chosen to use it because the science says that the outcome is greater if you do use it.

>> Houston: Okay. So I understand that is a preference. That is his preference.

>> Yes, ma'am.

>> Houston: On 32, is that the same thing? That's his preference?

>> No, ma'am. This one does not have anything to do with the medical director. This has to do with securing of controlled medications in the ambulance, the -- secured in a particular way with two individuals typing in a security code. We already have these particular devices deployed throughout the ems system and then we have similar devices for keys that open up businesses, and this is just the additional units that we need. If we went with a different vendor, it wouldn't be compatible with any of the equipment and the security and the auditing that we already have in place with our current equipment.

>> Houston: Okay. So this will make it compatible with everything else?

>> Yes, ma'am.

>> Houston: Okay. I'm not voting for it because it's sole source but someone could move to approve.

>> Mayor Adler: Someone move adoptions of Numbers 31, 32.

[10:02:46 PM]

Ms. Pool. Second by Ms. Kitchen. Those in favor please raise your hands. Those opposed. Two opposed, Zimmerman and Houston. Thank you very much.

>> Thank you. What about number 50? Is that going to take a long time? We're just setting a public hearing onto June 18.

>> Zimmerman: Keep as you wake.

>> Mayor Adler: Really.

>> Houston: Move to set.

>> Mayor Adler: Move to set. Seconded by Ms. Pool. Any conversations about setting this on June 18?

>> Zimmerman: Very quick question here. I think there was a request or a question about these gas utility hearings and we had been told that I think there's some law that obligates the full council to hear these issues.

>> That's correct.

>> Zimmerman: So we were asking as a committee, public utilities committee, to just go ahead and schedule these in front of full council and not duplicate time and energy having it in front of a smaller committee and then have to do the same thing over again at the full council. I guess all would I say is I'd like to have this come to the full council and not go through committee.

>> I think that's at the discretion of the committee.

>> Zimmerman: Okay, thank you.

>> Mayor Adler: Okay. Any further discussion on this? Those in favor of setting this hearing, please, raise your hand. Those opposed? The motion carries. Unanimously. That gets us to two items, the homestead exemption and number 19, Ms. Houston, which is also yours. Do you want to, since it's the last one, do you want to do this now or wait until after the homestead exemption?

>> Houston: Mine?

>> Mayor Adler: Mm-hmm.

>> Houston: Let's do it now.

[Laughter]

>> Zimmerman: Mr. Mayor, I move that we extend past 10:00 P.M.

>> Mayor Adler: It's been moved to extend past 10:00 P.M. Is there a second in Mr. Casar.

[10:04:48 PM]

Those in favor, those opposed? Unanimous on the dais.

[Laughter]

>> Mayor Adler: In my hurts every time we do that.

>> Gallo: Mayor?

>> Mayor Adler: I'm sorry, Ms. Pool.

>> Pool: I just wanted to ask, I know we have people here for the homestead exemption item, number 10. And I don't know what the intention is with item number 19, although it sounded like councilmember Houston was going to spend some time with it and so I just wanted to take that into consideration.

>> Mayor Adler: Tell me, is there just --

>> Houston: How many are here for homestead?

>> Mayor Adler: 25 people wish to go speak.

>> Houston: Anybody here for 19?

>> Mayor Adler: No one here for 19.

>> I am.

>> Mayor Adler: Oops, sorry, one person for 19.

>> Houston: Have they signed up.

>> Mayor Adler: Yes.

>> Mayor Adler: How about if we take the speaker on 19 and hold deliberations on 19 and then go to the other speakers?

>> Houston: That's fine.

[No audio]

>> Do you need staff input on this first or no? You can do it, however, you want. My name is Sarah an Andre, I serve as a part-time manager for chestnut neighborhood revitalization. It's bounded by east mlkchicon, mlk Todd on the eastern boundary. It was one of the very first neighborhoods to undergo the neighborhood planning process and chestnut neighborhood revitalization corporation, the entity part of item 19 was incorporated into 1998 as an outgrowth of that neighborhood planning process.

[10:07:01 PM]

Reverent Joseph parker of David chapel at the corner of mlk there spearheaded the effort to develop the nonprofit as a way to have a vehicle for implementing the desired neighborhood improvements that were articulated in the neighborhood plan. Since that time -- have jointly worked to improve sidewalks, bring improved lighting, create a pocket park in the neighborhood and implement other improvements.

In 2007 and 2008, cnrc built two single family homes they then sold to low-income home buyers. And in 2010 cnrc developed franklin gardens, a 22-unit complex for very low-income seniors at the corner of east mlk south of Miller. In 2011 the board began to think about its next project and developing the properties that are included in the clt application. It's six lots along Chicon street between east 13 and east 14th street. The initial intent was to do more rental housing but after an extensive discussion with the five neighborhood associations that join at Chicon basically the board changed its mind because all of those organizations expressed a desire for home ownership and revitalization. They wanted new neighbors that would put down roots in the area and they wanted commercial revitalization with neighborhood-oriented small businesses. So we purchased the property in 2012, and began a very inclusive process to design the project that's proposed today, which is the Chicon. I can go into detail about the -- three buildings with approximately 9,000 square feet of commercial space.

[10:09:06 PM]

It's a mixed-income, mixed-use project with 43 residential units, 33 of which are designated for low-income home buyers, and that is home buyers earning 80% or less of the area median income. Our condominium documents as well loan documents limit the number of investors.

[Buzzer sounding]

>> Meaning units have to be owner occupied. They prevent owners from leasing their units and prevent owners from flipping the units for a large gain if they've received a subsidy through this program. The community land trust would allow us to keep the value of the land out of the tax appraisal for the affordable buyers, which as you're about to hear on your next item tonight is a -- having a major impact on long-term affordability for home buyers throughout Austin, not just this neighborhood. But the way the land trust works, the trust continues to own the land and pay any taxes due on that, but the home buyers in the residential unit, that land value is not in their individual appraisal, and so it reduces their long-term tax liability. And that is the value of a community land trust in a nutshell. I welcome a dialogue. I think our board members welcome a dialogue on the project and on affordability in general and I would be happy to answer any questions.

>> Mayor Adler: Okay. Thank you. Mr. Zimmerman, do you have a question?

>> Zimmerman: Really quick we. When you said home ownership you got my attention. That sounds terrific. How do you own a home when you don't own the land that it sits on?

>> It's called a condominium and people do it all the time.

>> Zimmerman: I have a -- they have a share, though.

>> Do you. I'm sorry, and I didn't mean that to sound the way did sounded.

[10:11:07 PM]

The way this works, the community land trust, the nonprofit continues to own that land. The nonprofit is tax exempt, so that land, they don't have a share of the land. They have a share of the walls that they live in and some of the common space, but they don't own that dirt underneath.

>> Zimmerman: Okay. So the other thing that lost me, it says there's no unanticipated impact, fiscal note is not required. If the land goes off the tax rolls there's a fiscal impact. It means the neighboring properties are going to have to pick up that property tax burden not being paid.

>> Right. I did not write that portion of the of the export am unfamiliar with the process used to come up with that statement.

>> Zimmerman: Would I like to know how many property tax are the neighbors going to have to pick up because this is off the tax rolls.

>> Mayor Adler: We're going to hold off deliberations and go to the homestead matter and then we'll

come back.

>> Zimmerman: Thanks.

>> Mayor Adler: Thank you. That calls up then item number 10. We have a lot of speakers do speak. I'm going to entertain a motion to make this a 20% homestead exemption. We'll take the vote on that. If that decides the question, we'll stop. If it does not, I'm going to entertain a motion for a 6% homestead exemption.

>> Zimmerman: Mr. Mayor,. Adopted we'll stop.

>> Zimmerman: If I could, I think councilmember troxclair put a 20% -- of the troxclair 20% homestead exemption proposal. I'd move adoption of that.

>> Mayor Adler: Then I'm going to if 6% doesn't get passes I'll entertain a motion for 5%. That's how we're going to do it rather than amending the things to -- carrying amendments.

[10:13:10 PM]

20, 6, then 5. Sorry, what? So we have a motion for 20% from troxclair. And it's been seconded by Ms. Gallo. You want to address that? I'm going to let you lay it out if you wanted to. I could go straight to speakers.

>> Troxclair: Want to thank you would be good to hear from speakers first.

>> Mayor Adler: Then we'll start calling speakers. First speaker is Stewart Hirsch.

>> Mayor, members of the council, I'm still Stewart Harry Hirsch and I'm still renting and I'm here to support homestead exemption. When I should be home watching the west coast game.

>> Mayor Adler: Welcome our world.

>> Zimmerman: Yeah.

>> Knife your world a long time.

[Laughter]

>> There's a path for win-win. So far the conversation has been that if you decrease tax revenue from property owners who are homesteaded you will increase the burden on us. And the conventional way the city has done things that's exactly what will happen but there are paths to do that, and I've given you seven suggestion brothers the manager gives you his budget as to how to achieve win-win so that you can not increase the burden on renters and businesses and give the relief to homestead owners inspect my former life, one of the things the city had me do is train first time home buyers on how to get their credit and other things straightened out so they could buy a home inspect my current life I work with the home repair coalition who helps primarily seniors and people with disability who own their home to be able to stay because they helped make it safe.

[10:15:15 PM]

So my goal is to do some things to flatten the city organization, take some department -- take a department out of the general fund and do a bunch of other things on your list of seven things and I know y'all can read, and so I won't waste any more of your time other than to say I'd really like you to consider to do this in a way that you hope -- help my brothers and sisters who are trying desperately to stay in the homes that they own and help my colleagues who are renters like me and small businesses and large businesses who are trying to stay in Austin instead of go elsewhere because their tax burden is too high. There's a bath to win-win. Please consider it. It's worth thinking about it thank you very much.

>> Mayor Adler: Thank you very much. David king.

>> Thank you, mayor, mayor pro tem, councilmembers. First of all I'd like to congratulation councilmember Garza on your new baby girl. Very heart warming. I can't wait to see pictures.

[Laughter]

>> Did you bring some tonight? Okay. And councilmember Houston, thank you for voting against the sale of alcohol within 300 feet of a school. I think that's a good principle. I support the 20% exemption for homeowners. I think we need to take it to 20% as soon as we can to bring as much relief as possible to homeowners as soon as possible. And we need to -- we can pay for this. In addition to this, I think we should also implement a rental assistance program for families earning 70% or less of the median family income. I think they needing to hand in hand and we can do both of these things together. If we Wil make some decisions about how we spend or maybe not spend and how we -- where we can increase revenue to the city. So both things. Cutting some spending and increasing revenue.

[10:17:16 PM]

First of all, I think we should eliminate incentive payments to large corporations, implement a full-cost fees for all special events, increase fees for the use of public property for events on parkland, right-of-ways, streets, other public properties, don't waive fees for property events in the city, I know you haven't donna tonight. Great. I hope we continue that pattern. Just realize that from 2009 to 2013, the city council waived almost \$3.5 million in fees and expenses for special events. 2009 to 2013, the city spent \$23.9 million on special events but collected \$13.2 million in fees. The taxpayers made up that \$10.7 million difference. We need to increase the sidewalk fee in lieu to cover the full cost do build sidewalks for new developments so that cost doesn't go on renters and homeowners. The current cost -- current sidewalk fee is \$7 per square foot but the actual cost is \$23 per square foot and we make up that difference. We need to increase the transportation impact fees to cover the actual cost for upgrades to transportation due to new development, adjust the electric rates so users of large amounts of electricity pay a higher per unit rate than users of small quantities and we need to stop granting special discount rates to the users of large amounts of electricity. We immediate to increase drainage fees so that properties with a higher percentage of impervious cover pay a higher per unit cost for the drainage fees. And we need to increase the affordable housing amenity for all density bonus programs and planned unit developments so that 25% of all residential units in any given development must be affordable to families earning 60% of the median family income. And we need to stop approving flood variances -- floodplain variances and implement a flood impact fee for floodplains. Thank you very much.

[10:19:17 PM]

>> Mayor Adler: Thank you. Gus Pena. Joe Lopez. Kiba white. Susan Litman. Sorry.

>> Good evening, mayor, councilmembers, I'm just speaking on my own behalf tonight. I am going to take objection to all the items you took up before this time certain item just move on but I hope that you can maybe consider taking time certain items up at least as soon as you can in the future. I'm here to speak against any homestead exemption. I understand that y'all are faced with an affordability crisis. I realize that you're hearing probably from a lot of homeowners. I'm not a homeowner. I'm a renter but I'm here not to speak on my own self-interests here. I'm not looking for relief. I'm going to be okay in the city. I'm worried about the people who literally cannot find anyplace they can afford to live in this city and this just is not the solution for them. And we should be looking at what are the solutions for those most at need? With our precious dollars, where are we going to put them to do the most good for those at the very bottom. I understand there's few people in some districts that this solution or some version of it will help, but is this proportionately going to impact those in a positive way those who don't need our help and some that don't need our help at all. The greater the exemption is, the greater the inequity is going to be and the less the exemption is frank lit less meaningful it's going to be to any homeowner anyway. That's such a small amount of money. We're talking about coffee per month for a homeowner.

That money has a lot more utility when pooled together and put towards services or other means.

[10:21:21 PM]

I like the idea of putting money into a rental -- more money into rental assistance for those people who are truly at the bottom. Those people who aren't just looking at, well, do I maybe have to downsize my home to something that I can afford, but those people who truly cannot live in this city. And there are many of them. I meet these people but think still -- a lot of them come into Austin to work, to do jobs that, you know, frankly a lot of us might not even really want to do. And they're commuting into Austin. They can't even afford to live here. I understand that there's campaign promise that's many of you have made, and that is a political reality, and I don't think that -- I don't take it lightly to say go back on a campaign promise, but I'm sure you all also made promises to look at the facts and make decisions based on those facts. And I hope that that's what's going to rule the day here, that it's not just going to be the people that you're hearing from most, those who gave you contributions, those most vocal in this community because I don't think that that's -- I don't think that's who you truly want to help the most. I know that you're a good group of people who really wants to address affordability in a meaningful way. [Buzzer sounding]

>> I urge to you vote against any homestead exemption. Thank you.

>> Mayor Adler: Thank you. Susan Litman. Bo del.

>> Good evening. I'm here today to let you know on behalf of workers defense project and low wage construction workers across the city of Austin that while addressing the increasing cost of living in this city for our members, as one of our top priorities, a homestead exemption is not. And there are a couple of reasons for that.

[10:23:24 PM]

Let me start with the smaller exemption. With the smaller exemptions, our big concerns are that we have yet to hear a guarantee from city staff or from council that even by paying for this exemption by increasing taxes, this won't rule out other creative possible solutions to addressing affordability such as increasing the living wage for city employees. That sets a standard across our city. Or perhaps even more addressing things like permit reform that will take money as well. Perhaps folks from the dais can give us those guarantees this evening that in no way will a -- exemption bring the tax limit -- bring taxes up to the limit and keep our hands tied from addressing the affordability crisis that we have in other meaningful ways this fiscal year. Now, as for the larger exemption, that is a little easier for us to address. Far from being a responsible way to provide relief to homeowners with so many unknowns in the budget -- and we have heard from folks who have gone through budget cycles before, and I can tell you that what we don't know is that this 20% homestead exemption, how it will affect parks, fire fighting services, and police services. There are too many unknowns. So far from being something responsible, it seems to me to be a very imprudent course of action to basically fly blind and put forth a 20% homestead exemption even if it's phased in over time. So we have a big concern. Most Austin residents do not live day to day, spending money without knowing what they have coming in. And I don't think that council should do that either. I know our members can't afford to do something like that, and I think as elected representatives it behooves to you really consider what money is coming in. So our ask from workers defense project isn't not to do a homestead exemption, but to really consider what impact this could have on other options available to you as a council to address affordability and to wait until the budget process is complete to at least know where we are as a city with our budget before we move on such an aggressive course of action.

[10:25:53 PM]

Thank you.

>> My name is Francis

[indiscernible], I'm a retired psychologist, been a profession musician since the beetles and I'm currently a manager of a family business. I'd like to echo some of the sentiments that have already been presented here that this is going to be a tax that needs to be considered more and maybe returned and refined in terms of the relief it provides to whom. My understanding is that there is a comparison of 8% from the lowest district -- 8 cents for the lowest district and \$6 for the upper district. I own my own home and \$6 wouldn't be coffee money for me for a month. So it's not that big a deal. But it might be a way in the future to provide some relief if the way the tiers are presented. Now, also, the -- there's an old joke that the definition of a musician without a girlfriend is [indiscernible]

[Laughter]

>> The Austin business journal has recently provided some information about the -- there's recently been some consensus data that says that the income of musicians is falling. So I really urge that because this provides limited relief for renters that this be sent back through the committee process and retooled so that it can be an instrument that provides relief to the people who need it.

[10:28:04 PM]

Also, this is a bad precedent to set to do a budget reduction of your income before you know what your expenses are going to be. And since you are the first council elected at large, you have a super power and a great opportunity -- will be what people will answer when they ask the question, well, how was this done before? And so by doing it what I consider the right way, which is wait until you know what your expenses are going to be, then you'll be setting a good precedent and you can retool it to fit the expenses. Also, I think the voters understand that Austin has been through a crisis of natural disaster and that our expenses are going to be --

[buzzer sounding]

>> Doctor increased, -- increase so I think there will be more understanding if the taxes are increased at this time and it will make more sense to people if the --

>> Mayor Adler: Thank you.

>> Homestead exemption occurs later.

>> Mayor Adler: Thank you. Next speaker is Francis hedges -- sorry, ruby raw. Is Carol beje sky here? You have six minutes, Ms. Roll.

>> Thank you, mayor, mayor pro tem. Congratulations, councilmember Garza. My name is rubery Roya and I'm a men of the ladies of charity, and it's an organization that serves the poor. I'm also a member of Austin women and housing, which is a network group over 100 women that advocate for housing for working families.

[10:30:12 PM]

All as -- at our may meeting those in agreement that the group would advocate for -- at the may meeting there was an agreement that the group should state opposition to the homestead exemption proposal before you today. Those in attendance cited that the small amount of exemptions per home, that we would not be able to notice it. Over the course of a year, most homeowners would not notice the savings. The reduced property taxes have to be made up for either by cutting services or raising revenues from other sources. Another important concern of women in housing is that homeowners will experience a very small benefit, while renters, who represent over 55 of the population, may pay higher

costs. I live in district three, and the homestead exemption will not benefit me. My estimated savings will be about \$12 a month. Austin women in housing does not support the homestead exemption. We believe it is not going to help with affordability. This is especially true for the elderly, the disabled, the veterans, all the renters who represent those 55 -- of the families that are on fixed incomes. Not making a living wage and are being priced out of what was once a livable city for all. Instead of adopting this homestead exemption, let's put our energies into reducing all the fees that are charged on the utility bills which renters are over 55% pay those fees.

[10:32:13 PM]

How can we reduce those fees or at least freeze them for a couple of years? I realize that most of you, councilmembers, on the campaign retaliation you talked about homestead exemptions. My hope is that you will take a closer look at the fees or other taxes instead and -- that are retired and on fixed incomes. The tax exemption is not equitable. Those who most need a break on their living expenses do not benefit from this homestead exemption. I had been retired for over 15 years from the city of Austin, and all other city employees like me have not had a cost of living raise. The council should be looking for new sources of revenue to make the city less dependent on property taxes to deliver services. One suggestion -- or some suggestions that I have is has the council had an opportunity to look at the fees that we collect from hotel taxes? Have these fees been fully collected and up to date? How are the many -- how are the many national, international special events hosted in Austin? Are they contributing to the revenue base? How do the workers living outside of the city limits contribute to the development and maintenance of the city? What other city revenue source can we investigate? Are we sure we're collecting all the fees due from businesses? I'm grateful for the many wonderful things that this council has done -- has been doing, asking questions and holding staff accountable on many issues involving our tax money. In addition to finding new sources, the city has to be mind to have maximize its efficiency.

[10:34:24 PM]

Whenever possible, we should be doing more with less. I think the council's directions to city staff to reduce the budget by 5% is an excellent way to begin looking into ways that will allow the citizens of Austin to get more for their money. Mayor and council -- schools, parks, libraries. I'm willing to pay my fair share. Like other homeowners living in modest properties, the city expects me to pay a larger and larger share of my income on property taxes while businesses, special events, and daily commuters to the city pay little to nothing. I encourage this council to postpone the homestead exemption decision until after the budget is determined. Wait until after the city manager's draft budgeted -- we can spend more time to analyze the budget and homestead exemptions implications and then have conversations about what is the best way to move forward and look at all the options. Thank you all very much.

>> Mayor Adler: Thank you. Sharon Blythe. Todd Marvin is on deck. Sharon Blythe. Todd Marvin. William McKinney is on deck.

>> Good evening, Todd Marvin. Chair of one voice central Texas. We are a coalition of 79 nonprofit health and human service agencies, collectively, we would be the eighth largest employer in central Texas.

[10:36:24 PM]

We exist to support a network for children and the elderly for the youth, the hungry and homeless, persons with disabilities, those who are not literate, those who are immigrants and victims of violence. And the members of one voice central Texas are concerned about the impact of property tax decreases

currently under consideration and the impact that they will have on low-income families -- tax cut we realize the city may need to reduce investments in social service that's help people meet basic needs and put them on their path to economic sufficiency. These programs increase affordability and opportunity for our most vulnerable citizens and cutting these programs will only solidify Austin's number 1 national ranking as the most economically segregated city in America. We're also concerned about the impact that this might have on the 2014 commitment that the city made to actually increase investments in social services. This move was undertaken last year and committed to after a study by the city of Austin that showed that this city invests less in health and human services as an overall -- as a percentage of the overall budget than other peer cities in this country, like Seattle, Denver, San Francisco, San Antonio, as well as other major metropolitan cities in Texas. The investment -- present about 2% of the overall budget and other cities that we were compared against ranged anywhere from 4% up to 15%. And so our concern is not only in the short-term about current services that we're investing in, but also the longer-term commitments that the city has made to closing this gap in investment.

[10:38:33 PM]

Again, to help every citizen get on their path to economic sustainability. Thank you very much.

>> Mayor Adler: Thank you, sir. William McKinney. David Lundstead is on deck.

>> Good evening, Mayor Adler, Mayor Pro Tem Tovo, and Councilmembers. I thank you for your service to Austin. My name is Will McKinney, I live in District 10. I believe the homestead exemption is a bad idea because of the possible threat to our city services. The city budget is strained as it is, and I worry about what may happen to the general fund if this item is passed. With the general fund being stressed I'm concerned about services being cut or being done with. As y'all might guess, knowing me, animal service is on the top of my list. What you may not know is I have volunteered -- programs for at-risk youth that concern me as well after-school programs and recreation centers. In addition to the threat of service, I believe this exemption is disproportionately aimed to help those who need help the least. With skyrocketing housing prices, it is increasingly difficult for lower middle class citizens to live in Austin. This exemption provides little to no help to struggling Austin residents. I urge to you please vote against this. Thank you.

>> Mayor Adler: Thank you. David Lundstead. Dee Ann Johnson is on deck.

>> Good evening, Mayor, Mayor Pro Tem, Council, my name is David Lundstead, retired Austin firefighter. I chair the advisory commission although I'm representing only myself tonight and I also own non-homesteaded property in Austin. I'm here in opposition so, first of all, Councilmember Garza, I'd like to thank you for so eloquently stating your case in the paper yesterday.

[10:40:41 PM]

You've come a long way since being a no-nosed rookie and I'm very proud of you.

[Laughter]

>> I do have some concerns as a landlord that I'm going to be forced to pass on some fees that I feel that disproportionately benefit wealthy homeowners and however noble provide tax relief for low-income renters. But my main concern is that this council, not having gone through a budget cycle before -- come publish and that you're going to turn to service cuts. And as someone who worked really hard to make the shelter no-kill and to keep it that way, I really don't want to take that risk. So what I'm hoping happens tonight is that you guys can't agree on anything and you come back next year, older and wiser and we try this again. But whatever you decide to do, I just want to let you know that I really look forward to working with you over the years as we try to help out our 4-legged friends because --

>> Mayor Adler: Just a second. And later on I hope we can do this in a revenue-neutral way so we don't cut any services, including any of the work that I support as well with animals. But you said that you were a landlord. And you were concerned about passing the cost on to your tenants. The finance people tell us that the cost to a \$600 a month apartment would be 25 cents a month. If you were the landlord and you were owning that property that leased for \$600 a month, would you pass that 25 cents a month onto your tenants by raising your rent by 25 cents?

[10:42:48 PM]

>> Mayor, I'm a man, I'm not really good with Numbers.

[Laughter]

>> But like I said, that's my -- a minor concern on that.

>> Mayor Adler: Okay.

>> I don't really --

>> Mayor Adler: No problem. I understand.

>> I can cover that. I do all right on my rentals. My main concern is services and animals.

>> Mayor Adler: I understand. Thank you, sir.

>> Sorry for the cheap joke.

>> Zimmerman: Wait, before you go, sorry. Before you go, so have you made any efforts to repeal the homestead exemptions that the county provides and the school district provides and -- no? Okay. Thank you.

>> Zimmerman: Just here tonight.

>> Mayor Adler: Okay, thank you. Thank you. The next speaker is an Ms. Johnson. Is Ms. Johnson here? Jim o'quinn.

>> Good evening I'm Jim o'quinn, here with Austin interfaith. Austin interfaith is a coalition of 40 schools, unions, little late so my brain is not working. Tenant associations and churches. Our religious and civic teachings have taught us the way to measure economic policies, how it affects the most vulnerable population. From what we understand the current proposal on the homestead exemption is going to have a pretty significant impact on the budget, and so that leaves an opening in where it could possibly have an impact on our families and their children and our most vulnerable population. Austin interfaith and its member institutions and all of the constituents support capital idea, job training, tutoring, prime time, affordable housing since, services for the homeless, fair wages, parks, healthy food initiatives, summer youth employment and after school programs so Austin interfaith would like to call on the mayor and city council to support a homestead exemption that does not impact the most vulnerable population.

[10:45:10 PM]

Thank you.

>> Mayor Adler: Thank you. The next speaker is Annie Harton and Francis McIntyre is on deck.

>> Good evening, everyone. My mim is Annie Harton and I'm a member of abiding love lutheran church, who is a member of Austin interfaith. I live in district 2. In onion creek plantation. I also serve on the tag board, Travis Austin discovery group, the long-term recovery team for the onion creek flood. Also on the tag education committee. I've worked very hard. Many years to -- I attended a budget in the box session recently, and I learned the inequity of this 6% proposal for homestead exemption. It most definitely will not benefit me or many other seniors who are struggling to stay within our homes with everything around us increasing in price. The 6% homestead exemption just doesn't seem like a Progressive action, especially with all but one of our council being brand-new. It makes sense to gather more information,

facts, and follow the budget cycle through the -- through this fall, but for -- before making such a major decision. Then last week, at an Austin neighborhoods council meeting, I learned of the Zucker report, which does an assessment of city departments and how broken some of them are.

[10:47:17 PM]

The general fund is one, and then the planning economic development group, where permitting happens. I feel that making the needed changes -- sorry, the needed changes as advised to these areas will do so much more for our community. Raising the tax rate to the maximum would be an all-time disaster for everyone. Thank you very much.

>> Mayor Adler: Thank you. Francis McIntyre.

>> Ms. McIntyre.

>> Evening, mayor, council. I'm Francis McIntyre with the Austin league of women voters and I want to thank you for the opportunity to comment on the proposed amendment to the current ordinance increasing homestead exemption exemption on homesteads it the Austin league women voters does not have a specific position on the 6%, 20% or other combination of tax relief through homeowners exemptions that have been suggested by council. However, we would encourage you, as you deliberate, to focus on the benefits to the citizens versus the cost to support the many services the city of Austin is obligated to perform. As a new council, you are really just getting started on the long and sometimes arduous path to a final budget for our city. There will no doubt be city departments needing more personnel to serve the citizens of our growing city. After the Zucker report, it is evident that citizens demand better responses to building permits. More inspectors are needed to keep track of building inspections.

[10:49:21 PM]

Our emergency response teams are pushed to the limit as they try to -- are being inundated with citizens' needs for our citizens -- with -- yes, with needs for our citizens. Parks, libraries, affordable housing assistance, and many other services will be competing for every dollar we have in our coffers. Also, the formulas for increasing revenue to cover costs or making up revenue losses by reducing services will need to be balanced with the benefits to the citizens. The league knows that you will do your best to serve not just the concerns of the few, but the concerns of all the citizens of Austin. We trust your good intentions and look forward to watching as this process continues. Thank you.

>> Mayor Adler: Thank you, ma'am. Mr. Zimmerman?

>> Zimmerman: Very quick question for you. We've heard city services repeated over and over and over again, so interesting question. Councilmember troxclair posted something publicly on our council message board and she points out that the local government code chapter 380, the corporate subsidies mechanism that's used, she's reporting here that we could save somewhere around \$12 million if we didn't pay the corporate subsidies. So the question for you, do you consider corporate subsidies a city service?

>> Well, we haven't really addressed corporate subsidies, but I think that you need to discuss the budget before you decide whether to give a reduction in cost of the --

>> Zimmerman: I'd like to call your attention to that council message board, Austin council message board dot org and they're posted -- it looks like --

[10:51:33 PM]

>> I would like to see that come to pass.

>> Zimmerman: Thank you.

>> Thank you.

>> Mayor Adler: Next speaker is Larry tucker.

>> Mayor, mayor pro tem, councilmembers, thank you so much. I signed up on this item against but I struggled whether or not I was truly neutral or against. And it's just one of my latest conundrums, I have many, too long, you don't want to spend your time listening to all of them but this is my latest one. Personally, I would love a tax break. I'm a property owner. I feel like we pay way too much in property taxes. I think there is an undue burden on property owners, but I don't want a decrease in services specific to animal -- animals at the Austin -- that I want to have my cake and eat it too. So that's my conundrum. I do want you to -- to get you thinking about -- the cat serialization program, that's been a multiyear program where it's been highly successful. So I don't think that cutting that program would save taxpayers money. I think that that's kicking the can down the road and that we're going to have to pay for other services down the road. And it could shift the burden from the city of Austin to nonprofits. And I think that the nonprofits already -- the animal welfare nonprofits already do an outstanding job of supporting the city of Austin in supplementing what the city could pay for.

[10:53:36 PM]

Austin pets alive, for example, alone supplements about \$2.4 million. The other, excuse me, is closing Austin animal centers on holidays. So think about -- you already have your staff you have to hire to clean, feed, care 40 animals during holidays, but yet the shelter is closed. So there's no real savings there, and animals, we already have an issue with getting the animals out to adoptions and getting them off-sites, out for the public to adopt. So closing the doors is not a very good option, again, kicking the can down the road. Reduced rabies clinics just sounds bad all the way around. You just -- I don't know if I need to explain that one, but if you start eliminating programs like that, that are benefiting the people that need the most help, primarily all these services, all three of these that I named, will impact east Austin. East and southeast Austin. That's who it will impact the most. And take that into consideration in making your decision. Thank you.

>> Mayor Adler: Sir, while you're here, just in case it helps with having your cake and eating it too,, I want you to know that -- and I've never heard anyone, anyone suggest cutting any of those services in order to fund homestead exemption.

>> Well, that is very good to hear. I hope that's -- I trust that that's true.

>> Mayor Adler: I never heard anyone suggest that. Ms. Gallo.

>> Gallo: Yes. I want to say my rescue doing ally would kick me out of the house and change the locks if I voted to reduce any funding. As all of us are, we're really excited about the new director coming in.

>> Absolutely.

[10:55:36 PM]

>> Gallo: And I think that that is going to change the atmosphere and all of these concerns and issues that you're talking about I think are going to be addressed very quickly and you have my full support to make sure that all of that is running properly and she has the fund she needs to do what needs to be done there.

>> Thank you. I appreciate that commitment. But.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Tucker, thank you for coming and staying up late with us.

>> Sure.

>> Zimmerman: You might remember my wife Jennifer brought home Shelby the pit bull back in Jan.

Happy to say as of last week, Shelby is now adopted and has a full-time home.

[Applause]

>> Awesome, that's great. Congratulations.

>> It.

>> Zimmerman: It took way too long. I'm going to ask you another related question here on what we call cutting city services. So if we were to change the city's proposed 3% base wage increase and cut that back to .8%, which is more in line with what the rest of us have received, that would save us about \$9 million a year. Would you consider that a cut in services?

>> Cutting a proposed wage increase, I would say that would cut in services -- no. Because those are people that are earning checks. So that's not a service in my mind. They have earned that money. And if you decided to give them a pay increase, I think that they deserve that.

>> Zimmerman: It would be a lower pay increase.

>> It would be a pay increase.

>> Zimmerman: .8 instead of 3%.

>> I don't see that a cut in services.

>> Zimmerman: Thanks.

>> I see they've earned is that.

>> Zimmerman: Thanks.

>> Thank you.

>> Mayor Adler: Thank you. Emily [indiscernible]. Is Andre here? Thank you. You have six minutes.

>> Good, I'll try not to use it. Good evening, my name is Emily

[indiscernible], director of public affairs for the Austin board of realtors, I represent over 10,000 realtors who work hard every day to connect citizens across Austin and the homes they desire would to live in.

[10:57:46 PM]

We are really concerned about affordability in this community as each of you are and each of you have expressed on your stump in this last election cycle. We know you recognize the critical -- nature of where we are as a -- supportive of a 5% homestead exemption with a 1% of the possible 6% going -- important nature of broad-based solutions solutions to address the crisis that we're in to some degree. Our members are more than aware of affordability challenges in this community. You'll hear from one in a minute about the statistics related to the market and where we are today and we see that only getting worse and worse as we go. Each month we release statistics that indicate that our market continues to sort of grow rapidly and that today is the day to take action to address the affordability challenges in this community. We believe that you are -- that there are limits to what you can do at one time. We understand the nature of your kind of rookie status on -- as this council, that you're learning this budget, you're about to enter into a really important opportunity to address lots of different solutions to this affordability challenge. And so this first commitment that you can make is -- you should take as momentum to find the other tools that you need to address affordability in this

>> Mayor Adler: Thank you. Next speaker is bill Morris. Is Jenny here? Jenny Williams? Thank you. Mr. Morris, you have six minutes.

>> And I too will try not to use it. Good evening. Building on or I guess building a foundation for what Emily just told you, I just wanted to share with you some recent market statistics that we've released, and just give you a statistical basis for considering this decision.

[10:59:57 PM]

In April of this year, there were 2,568 single family homes sold. As a new record median price of

\$174,000. That's up 14% in one year from April of 2014. And less than three out of ten of those almost 2600 homes were priced under \$200,000. Not affordable. Over the course of the last five years, from April 2010 to April 2015, that median price is up 44%. And at the same time, median family income is up according to the department of housing and urban development, two percent. This is the recipe for an affordability crisis. Considering that the city of Austin over that same five-year period, 2010 to 2015, we have a new median home price of \$326,400, up 47% over five years, compared to a median family income of two percent. So to put that into perspective, five years ago, April 2010, a family income of \$55,000 could afford a median priced home in the area. Today, that is now a \$72,000 income to afford that median priced home. We think that is not sustainable. Now, turning to leases, and we do have many members who own and manage one to four family rental properties for the most part, there were, 437 new leases signed in April of this year.

[11:01:59 PM]

That's up 18%. And the median rent in the metro area was \$1,550. Again, not affordable. And this is the metro area, not city of Austin. So as Emily said, we are in touch every day with the affordability crisis. Our job every day is to connect people with housing they need and deserve. We recognize that property taxes are an important obstacle to allowing people increasingly to afford the homes they really want and need and to -- people transitioning into home ownership so we do urge you to support this homestead exemption, five percent plus the one percent, and wish you well with that decision.

>> Mayor Adler: Thank you very much.

>> It's an important first step.

>> Mayor Adler: Thank you. Philip martin.

>> My name's Philip martin. I'm here representing myself. I'm actually in councilwoman kitchen's district. I was born here in Austin, lived here over 31 years, all over the city. There are definitely good landlords that won't necessarily pass on these costs. I had a landlord I had to call to convince to turn off a gas leak, wouldn't turn it off for a day and a half, and I eventually had to call somebody else on them. There's a lot of people that might approach us in a different way once a decision is made.

[Inaudible] Today about how maybe do six percent, or five percent with some rental help, I think which is an interesting idea, but this is a deliberative process, and I guess I'm not certain why the decision would have to be made right now. I was also intrigued by the savings that councilwoman troxclair came up with, and I believe you, Mr. Zimmerman have spoken about as well.

[11:04:06 PM]

All these are with a budget as one, and I don't understand why homestead exemption is being given special privilege priority over any other budgetary decision that would be made. I think it's an important one, and I understand everyone campaigned on it and there's certainly a cry for voters, and it's necessary in a democracy to be responsible to the people who elect you. But I think it's necessary as public officials and public leaders to take responsibility for what you've been called to act to do. And doing that, I believe, means taking this in a deliberative measure and considering it as a budget. While there may be eagerness to deliver on this campaign promise now, treating it as a special privilege priority and maybe doing it in the wrong way or doing it the bad way wouldn't necessarily help you with any voters, whereas if you did take a few more months to be considerate with the budget, when voters could see it, along with other budget decisions that are made. You know, you're saying we wouldn't have to cut anything, that might be true. But I don't know what it is. And if this were to go through today, no one on council could answer, this is how we will pay for it. And whether you are a conservative or whether you're a Progressive or however you might identify yourself in this city, if you

can't answer, this is how we will pay for it definitively, I don't think voters will appreciate the decision that you made. So I would ask you to not adopt any of the proposals tonight. Tonight. Take time, take a few months, weigh the balance of the ideas that we have on council, and see what we can do in a few more months with a little more time and a little more deliberation.

>> Mayor Adler: Mr. Martin, just real quick, you're with progress Texas.

>> Not tonight, but that is who I work for.

>> Mayor Adler: Okay. An Orange that I helped to start.

>> That's right.

>> Mayor Adler: Just to answer quickly, two of the issues that you raised, it would be much better if we didn't have to answer this question on a homestead exemption and could take it up as part of the budget process in August and September. Unfortunately, the state law, if we're to enact this, to have any effect in 2016, requires us to act now.

[11:06:15 PM]

The alternative is to wait until 2017, and even if we did it to do in 2017, we would be doing it three months early at least next year before the process, so the stagger start is, I agree with you, very unfortunate, but not something that we can control. And then the second thing I'd just point out, in answer to the question how would you pay for this, I'll be advocating later for a phase-in, and for a change in the tax rate such that it's revenue neutral so that we don't cut in I programs, but that there is a shift from residential property to commercial property because I think that residential property burden has grown over time for the reasons [lapse in audio] To rejigger that balance, so as to move the burden where it should better be. And I would be voting for this if it wasn't doing anything else but that. But in addition to that, it's doing more, it's providing people property tax relief.

>> And I respect that approach, and I recognize why it's a good tool, but you're still not saying how you will use the tool. You're saying that we are going to make this revenue neutral. You can't say how.

>> Mayor Adler: I'm going to do it by raising the tax rate.

>> But which tax rate?

>> Mayor Adler: Property tax rate.

>> And that's part of this proposal?

>> Mayor Adler: Yes.

>> Okay. Then how do we --

>> Mayor Adler: It's not yet. It will be part of what I vote for.

>> And how you offset the cost to pay for that proposal.

>> Mayor Adler: And then -- under the proposal -- under the proposal that I will be voting for, later, part of proposal will be, in essence, to do just -- well, that's the commitment that I make.

>> Sure. And I respect -- Mr. Mayor, I know you very well. I respect that you -- it's not that I don't think you would keep your promise --

[11:08:16 PM]

>> Mayor Adler: Okay.

>> -- To do that. I think it's a promise that could be kept with others. To go back to your first point as well, I still think going through a budget process, going through a conversation where -- I'm sorry, is it councilwoman, 62 million in potential savings that you spoke of, that councilwoman troxclair -- sorry, the year savings, so -- I think --

>> Troxclair: , Again, I just put a couple of my ideas down on paper so that we are talking about, you know, the, quote, of cutting city services, I think it's possible to do it without cutting city services, so I

put a few ideas down on paper and they totaled over \$60 million.

>> Sure. Which that's all good, but those are all discussions, I don't believe you can make any of those cuts tonight with this resolution. Is that correct?

[Lapse in audio] Today to pay for it.

>> Troxclair: I think each of us has our own ideas of how we would want to proceed, and because of the deadlines that are set out by our -- by our budget processes, this is the date by which we would have to -

>> Sure.

>> Troxclair: -- Indicate that we want to pursue a homestead exemption in order for our city staff to include it in a budget recommendation. So --

>> I guess that's where I would say you can still make a property -- homestead exemption before anybody would be up for election again. You could do it -- I'm sorry, you could not do it in three months after this next one.

>> Basically --

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: I'm so sorry.

>> Mayor Adler: That's okay.

>> Kitchen: Basically, we really, really appreciate you coming and giving us your perspective, so we're not trying to argue with you. We're just trying to let you know the problem is the timing in the law. And, basically, because of the timing in the law, we will never be able to go through a budget cycle first before deciding on a homestead exemption. Unless -- absent a change in the state law, we don't have a control over that.

>> And that is still, though -- it's a decision that you all can make.

[11:10:19 PM]

You all could make budgetary decisions with -- look looking -- all budget decisions are made looking forward. Correct? You can make budget decisions in the next cycle for a future homestead exemption you would give later.

>> Kitchen: No, we cannot.

>> Mayor Adler: It would impact -- if we did this in January, it would impact the budget we set the following September. If we wait until September or October, it would be for the budget in the following year's September and October.

>> I guess my point is, there's an opportunity then for council to have a conversation about what those budget decisions are, and to the best of my knowledge -- and I apologize if I've missed that conversation to date with this council, that hasn't been a conversation that is had. Correct anything that's what I'm trying to get at. The conversation for me as a citizen, what is a priority conversation this council is having. And this is the first priority conversation the council has had over any of the other budgetary decisions.

>> Mayor Adler: We've talked about it a lot in work sessions, over the last month, probably. Further questions? I hate to keep Philip up here too long. Who hasn't had a chance to ask something yet? Ms. Tovo.

>> Tovo: I suggest we move on and we have this discussion when we talk about --

>> Mayor Adler: Does anybody need Mr. Martin up here anymore? Thank you very much for coming. Okay. That was our last speaker. We are now onto the dais. We have a motion from troxclair that has been seconded to do a 20% homestead exemption. Do you want to address it first, beyond what you said?

>> Sure. Well, I guess -- I guess, first of all, I want to say thank you to all the people who stayed here late

tonight and took a big chunk out of your day to wait for us to get to this issue. We really appreciate your input. And especially to the few speakers who offered some creative solutions of how we could implement the homestead exemption.

[11:12:22 PM]

I think that that's exactly what I was hoping to do, by including some of my own ideas in this proposal. Not only saying that I want to see tax relief, but actually identifying how it could be done. So looking at the -- looking at the proposal, according to the A&M real estate center, the median value of the -- the medium home value in Austin has experienced almost 70% increase in property taxes since 2005. That's from 2005 to '14, and we just heard from the [lapse in audio] Percent. So this means that someone who owns a median value of, you know, \$220,000 home in Austin, could have very well bought that home for in the range of \$130,000 in 2005. Those people's salaries have not increased 80, 90% over that time, so those same people are stuck trying to come up with every-increasing property tax bills. And, you know, for the comments that have been made that the proposal isn't enough to make a difference, I -- I think that that depends on what proposal you're talking about. If you look at implementing a 20% homestead exemption at the effective tax rate, the average homeowner is going to save \$244 a year. For those people on fixed in connection, struggling to stay in their homes, \$244 a year is a pretty substantial amount of money. So I think if we do it right, I think if we make a commitment to give the biggest exemption and the most -- the biggest reduction in property taxes that we probably can, that it can be a substantial amount for those homeowners who are struggling.

[11:14:30 PM]

Thezandon poll that was done just a couple of months ago, when we're talking about homeowners and renters and the impact and whether or not they support it, just a citywide poll showed that 87% of homeowners favored a 20% homestead exemption, and 70% of renters favored a 20% homestead exemption. So that's a -- that's pretty much the vast majority of both

[lapse in audio]. You know, just for some context, we have an expected new construction value of \$2.9 billion in the city this year.

[Inaudible] Property tax revenue. \$13.5 million more than the revenue that the city received last year, just from new construction. We also have a financial forecast that proposes a five percent increase in sales tax revenue to the general fund, which equals over \$12 million. And estimates also say that that's a low number. So, again, 12 million more dollars than what the city brought in last year. So that's just to set the context of the fact that we're in pretty good economic times. In fact, we're in one of the best economic times we've ever seen in the city. If we're ever going to be able to implement property tax relief, now is the time. And as far as how we go about finding savings, there are 126 staff positions that have been vacant for at least 12 months, and some as long as eight years. Funding for those vacant positions totals \$8.6 million. Now, I'm certainly not advocating for us doing away with all those positions because there are stories behind each vacancy, but I think when you have vacancies that have been open for eight years and funding every year that has been dedicated to those vacancies, it's certainly worth asking the questions and exploring the issue.

[11:16:46 PM]

Another proposal that was originally proposed by councilmember Zimmerman, and I suggested a tweak to it, would address pay increases for city staff. Instead of giving an across the board pay increase, adopting a tiered structure where the lowest paid city employees receive the highest salary increases. If

we pursued something like that, that's posted on the council message board, in a tiered wage increase system, we could save \$9.5 million every year. And as has been mentioned previously, we have corporate incentive agreements that currently total \$16.9 million a year. So, audiology all together, all those things I just described, are over \$60 million. So I just want to make sure that when we're talking about the narrative of our choices between enacting a homestead exemption and either increasing the tax rate or cutting city services, to me that's a false choice. To me, if you really look at the budget, if you're really dedicated to taking a close look at the programs and services that we're offering and where the money is going, there are ample opportunities to find efficiencies and find savings without impacting a single critical basic city service. So I would just employ -- implore my fellow councilmembers, the maximum percentage of property tax relief that we are permitted to provide under Texas state law. Travis county has already done it. City of Dallas that's already done it. The city of Houston has already done it, and Austin is not typically one to not be -- to be following other cities. We should be in the lead, and I think that being in the lead in providing property tax relief would be a great thing for us to catch up on.

[11:18:50 PM]

So I hope that -- I offer this amendment, or I guess this resolution or this amendment to this ordinance, and I hope that you will support me in adopt ago 20% homestead exemption.

>> Mayor Adler: Further discussion? Ms. Gallo?

>> Gallo: Councilmember troxclair made a lot of the points that I would have made, and I agree with her on basically everything she said. And thank you, in addition to thank you for all of you that have stayed late to participate in this process. I'm going to support the 20% homestead exemption -- it's getting late. I can't even talk anymore. Excuse me. Last year during campaigning, I said that I would support a 20% homestead exemption. And too often, people running for public office make promises that they end up not keeping. And I do not want to be one of those people. I want to keep the promises that I made, and that's really important to me. As we've heard over and over again, affordability is the top concern for everyone, and I think this homestead exemption is a start to addressing controlling the ever increasing cost of our homeowners. We have utility bills that continue to go up, but we also have property tax bills that go up every single year, and the fact that our property values are escalating so rapidly, and thank you for the board of realtors for being here to share that information with us, it should be a concern to all of us. But I know that we can do this without cutting services. I don't want to cut the services. And I think councilmember troxclair that's given us a lot of examples of ways that we can continue to provide the same services, but be more efficient in our city departments in providing those services. And I think that we can easily find the money to be able to pay this. So I think it's a step in the right direction, and it's the direction that we need to continue to move, and I appreciate her bringing this forward, and I will be supporting the 20% homestead exemption.

[11:21:03 PM]

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: I believe that we need to take a step in a direction of a homestead exemption. I cannot support 20% right now. If we have an option to vote on 20% phased in, and if we have an option to vote on 6% to begin, I will vote for that. I very much appreciate councilmember troxclair's bringing forward all the ideas that she has, as have others, and I'm looking forward to working together on pursuing some of those ideas. I'm just not prepared at this point to go forward with 20% because I think we need to take a phased-in approach to that. It is my goal to get to the full 20% over a number of years, and I will vote in favor of a step in that direction when we get to that point today.

>> Mayor Adler: Ms. Tovo?

>> Tovo: I'd like our financial staff just to remind us, were we to adopt a 20% homestead exemption, what is the dollar amount that would equate to that? I guess it depends on the -- I guess it depends on the rate. But --

>> Yeah, fence on the valuation.

>> Tovo: I'm not talking about the savings per household, I'm talking about the total revenue lost to the city budget.

>> Well, we looked at -- I'm deputy cfo. We looked at three different tax rates relative to a 20% homestead exemption, so we did a potential forecast for fiscal year 2016 back in April, we were projecting a need for tax rate of 0.4750. So the first thing we looked at, if we were to keep that same tax rate of 4750 that we were projecting we'll need, but instead of the existing one one hundredth of a percent homestead exemption, increase it to 20%, that that would result in a reduction in general fund revenue of \$32.5 million.

[11:23:19 PM]

We looked at a separate scenario where we had a tax rate at the projected rollback level of 0.4886, and that resulted in a net general fund revenue loss of \$19.2 million. And then finally we looked at a scenario that would keep us revenue neutral, and that would require a tax rate of 0.5083, which was more than two pennies past the rollback tax rate.

>> Tovo: Okay. Thank you. So the amount we would need to make up in the city budget would be somewhere between 19.2 million and 32.5 million. I just wanted people who are following this discussion to understand the size of the dollar amount we're talking about. Thank you, Mr. Vanino.

>> Mayor Adler: Further conversation?

>> Mayor?

>> Mayor Adler: Mr. Renteria.

>> Renteria: I want to -- what is the rollback rate for this year? The tax rate, rollback -- I mean not rollback, I'm sorry, where you meet the maximum tax before we -- we're required to have a voter vote on --

>> The maximum tax rate we could go to in fiscal year '16 without potentially opening ourselves up to a voter referendum would be 4886. And I've talked about this a lot with you at work session, but for people who haven't been following the work sessions, these are all based on projections. We don't have a certified tax roll yet. We don't have a budget yet. But based upon our besetments that we have available to us now, we would project that rollback rate of 4886.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Yeah. Before you step back, could you please emphasize this is based on the tax levy; right? These rates are rollback rates, they're all based on the tax levy because as you said, you don't know exactly what the assessed value is.

[11:25:20 PM]

We won't know that until that's certified.

>> That's right.

>> Zimmerman: Then you're trying to generate a certain amount of money. Right? You're trying to generate a certain amount of revenue.

>> That's correct.

>> Zimmerman: So it is the tax total, final appraised value, plus how much money you're trying to take, the tax levy, that's what drives all those Numbers, effective tax rate, rollback tax rate. I just want to ask

you again, please, keep emphasizing what this is about, not about rates, it's about the tax levy, how much money is being taken from people. Right? It's about the tax levy, how much we're paying.

>> Troxclair: It's a question. Councilmember troxclair. The first number on the second page, are you referring to incentive agreements that the city has already entered into in stopping those?

>> The contracts that we have are similar to the other purchasing contracts that we do in the city and there's clauses in them that say they're subject to prop erosion of city council every year. Year.

>> Garza: So I guess a question for legal is, we can stop those agreements without any repercussions?

>> There certainly might be some unhappiness, but we always have a funding clause in those things, so -

-

>> Garza: Okay. And we approve those yearly? Okay.

>> And I will add that when we entered into those agreements, I think a lot of them we entered into with the expectation that they would be a certain number of years, but again, with the ability for us to have it subject to appropriation every year. Just like a purchasing contract, we might enter into it for ten years. If we decide something changes halfway through, we have the ability to change. So I think there's certainly an expectation from some of the companies, based on -- based on those agreements, but we do still maintain quite a bit of flexibility.

[11:27:28 PM]

>> Okay. It's no secret where I stand on any homestead exemption. I'm not going to be supportive of any of these. But I definitely would not be supportive of a 20%, and I hope that the remainder of my [lapse in audio] This is not something -- what we've discussed mostly has been the six percent and the five percent, and I watched the budget work sessions between feedings and poopy diapers, and this is -- I mean, this is a big chunk out of -- and I appreciate the suggestions of where we could save money, but without any of us having gone through a budget work session, how do we know how viable, you know, any of these are? How do we know if these are -- if this is something that can be done? There's a reason why previous councils haven't done this, and I would venture to say it's because they've all gone through a budget cycle and have seen how there's not a lot of fat to trim with this budget. And so I'm very concerned, especially for the 20%, and as far as comparing us to other cities and how other cities have done it, I would like to compare -- I would like to see, you know, citizen satisfaction with Houston and Dallas's park system and, you know, I never hear people say that Houston has a great park system and I love going to Houston to visit parks, or, you know -- nor are they listed it is a, you know, the number one city with such a huge equity divide, and we have a report that says, you know, our health and human services are severely underfunded, and we have a huge, you know, sidewalks, I think -- I don't remember what the number was, but we have -- you know, our sidewalks issue is hugely underfunded. So I'm very concerned about 20%. And I just -- I'm also concerned about the wage, the wage decreases here.

[11:29:31 PM]

If we're going to say that, you know, property values have gone up while wages have stayed the same, and while we're at it, we're going to go ahead and not give pay increases to our city employees, that's a big concern, too. So I can't be supportive of a 20% homestead exemption.

>> Mayor Adler: Further discussion?

-- I'm going to go ahead and talk then. I've talked on this issue a lot so I'll try to keep my comments brief and make these my comments on this issue. I think that tonight the city of Austin is watching to see if we are serious about dealing with the affordability crisis in this city. I think they are watching [lapse in audio] And pitting one part of this city against another part of this city. We have an affordability crisis in

this city which is affecting all parts of this city. And we need to deal with that, and nobody gets to own that affordability crisis. It's something we all have to join together and collectively put our shoulders against, and drive forward to deal with it. I think we need to do a lot of things, as many things as we can to deal with affordability. We need to move forward with the homestead preservation district. We need to look at tif's. You know, when we do that, we're taking money, revenues that could be going citywide and we're picking one part of town that we want to invest in, but yet we expect everyone on this dais to participate in that because it's good for the entire city.

[11:31:34 PM]

We're going to redo the drainage fee, and it's going to mean a significant savings to renters, a savings on the order of -- of 20 fold the size of what would be the pass-through if we did a phased-in homestead exemption, if it were passed through. But we need to do that because it's the right thing to do, and we're all going to need to put our shoulders against that and get that done. We need to take a look at things, like the challenge that we're moving forward now, which ultimately is a tax shift. It's a tax shift to commercial properties and away from residential properties, which is disproportionately going to give savings to some parts of our city, as opposed to other parts of our city, but yet we still need to do that, collectively, as a group, because it's the right thing for our city to do. We need to take a look at tools like inclusionary zoning with a homestead preservation district. We need to take a look at strike funds. We need to take a look at permitting. There is no limit to the tools that we need to look at to be dealing with the affordability crisis in our city. And if we have a litmus test for every one of those, it has to solve the possible for every one in this city, then we will end up doing nothing. And we can't do that. I think that most, if not all of us, ran to promise to deal with affordability in this city, and I hope that that means something broader than just in my -- just in my district, because it's a citywide issue. I'm not going to support the 20% homestead exemption done all in one year. As I indicated on the campaign trail, I think it would be too big for the budget to be able to absorb, and, therefore, I'm going to be pushing for a rolled-in, phased-in exemption.

[11:33:45 PM]

And as I said at the work session that we had on Wednesday, I'm joining with councilmember Casar in advocating for a five percent, with a 700,000 first launch for emergency rental relief in this city, which again is a tool that does not work for everybody in this city. But I think it's something that collectively we need to put our shoulders against and push. With that phased-in exemption, I'm also going to ask and recommend that we do it and exit to do it in a revenue-neutral way, which means we raise the tax rate to do it. By doing it in a revenue-neutral way, that means it costs us nothing to do. It costs us nothing -- by costing us nothing, I mean it requires us to cut no programs. We can set the budget in September as we would without regard to the homestead exemption, and because I do not think that this council is going to go all the way up to eight percent, which would be breaking precedent for councils and city of Austin in recent times, especially in an affordability situation, we're not going to be the council that chooses to raise the tax rate as high as it can be. So we're going to be something less than that. And in that room that lies between wherever it is we set our rate and the highest rate we could set, we can do the homestead exemption. And that results in two things. It results in people's taxes going down on their homes from what it would have been, had we not ensacked it, and it would result in a shift on the tax burden from residential property to commercial property.

[11:35:51 PM]

I'm okay with doing that from a policy perspective because I believe property taxes is falling disproportionately on residential properties, and this gives us an opportunity to adjust that, even if just a little bit. And quite frankly, I think that we should be taking every advantage we can to do that homeowners exemption, we would be passing up what might be really our only tool to do that, other than the challenge, which we're also pursuing to do that, and we can do it in a way, I'll repeat again, that would require us to cut nothing that otherwise would have been in our budget. You know, the question of who benefits, I know from having worked at the legislature for ten years, almost ten years, where I focused on tax policy work, all of that work being done to improve the fairness and equity of the tax system at the state level as an advocate for those that were the lower level incomes in our state, that the property tax is a regressive tax in this state, and that the burden on the lowest 20% is more than the richest among us. Three times greater. That's measured a of income. Property taxes hurt more than they hurt rich people, even though rich people hurt more. It hurts the less affluent more because it requires a bigger cut of the checks that they take home, their paychecks are what they earn, which is why, when I go to my constituents in districts 1 and 2, and my constituents in 3 and my constituents in 4, among other parts of the state, those constituents come to me and say, I'm in danger of losing my home.

[11:38:07 PM]

Please do what I can to protect me in this home. I'm watching my neighbors move away. I'm watching my friends move away. And I say to them, you know, we have a tool we can use. But the problem with using that tool is that some of the more affluent people in the city are going to get a greater savings than you get. And those people look at me and they say, wait a second. You have a tool you can use, and you're not using it? Use your tool to help me. I don't care about those other people. Do you know how many homes we have in the city of Austin that are you would have at less -- that are valued as more than a million dollars in this city? 1900 or something. Half of the homeowners in this city honey homes that are worth \$200,000 or less. 70% of the people in this city honey homes that are worth \$400,000 or less. And a lot of those people, as has been pointed out, didn't pay \$400,000 for their home. They spent \$100,000 or \$125,000 for their home or less than that if they've lived in there for a long time, and now their home is worth a lot, and their incomes have not gone up with that and they're asking us for relief, and we have the opportunity to give it to them. The property tax is a regressive tax. Somehow or another, that's been lost in this discussion. It's a regressive tax, but if we cut the regressive tax, somehow or another in some people's word, that's a regressive thing. It can't be a regressive tax and also be regressive when you cut the tax. Everyone recognizes that a sales tax is regressive. Everyone just seems to know that. Everyone seems to know that a sales tax is not fair. Everyone recognizes that if you could cut a sales tax from eight cents to seven cents -- and I would point out to you that that is a percentage cut, not a flat cut, it's a percentage cut for people.

[11:40:16 PM]

You cut it from eight sent to seven cents, who saves the most money? Who ends up putting most -- more money in their pocket? It's the more affluent person, because they buy more things. But yet we can all agree that cutting a sales tax is a Progressive thing to do. It is exactly the same thing with respect to a property tax. The work we would do today, if we cut this tax, if we cut our regressive property tax, is a Progressive thing for us to do. It's the right thing to do because it addresses affordability, it provides benefit to the people in this city that need it the most. The shift of taxes to commercial property also includes a tax. The shift of the tax to multifamily tracks. Our people tell us that the amount of tax that would be associated with a multifamily unit that costs \$600 a month would be 25 cents a month. That's

all that would be shifted to that multifamily unit. Twenty-five cents a month. I don't think that would get passed through. If it did get passed through, it's 25 cents a month. We have many, many multiples of that being saved by those tenants if we effect and do the change in the drainage fee the way that we should do it. So I'm going to conclude, and then just say -- because I'm getting looks from my people on the dais, that I'm -- that vote against this, that I'm going to support the phased-in approach. Yes, Mr. Renteria.

>> Renteria: I'm not going to support the 20, but I'm going to propose that we go at six percent. You know, I just want to let people know that, you know, I bought -- I'm one of those people that bought years back, and I lived in my house for 34 years.

[11:42:25 PM]

I paid 21,000 for two structures on my house. My latest appraisal is \$339,000. It went up 12% from last year. I have a whole -- I mean my whole neighborhood is an old -- older neighborhood, people have been there over 20 years, and they're struggling. I mean, every year they've seen their taxes just go up and up. The renters are no longer there. They could no longer afford to live there anymore. And the homeowners are slowly just, you know, selling out because they get these huge tax bills of 5,000, you know. We've been seeing -- just last year we saw a rate increase of almost 20 -- 19%. I mean, it just keeps going up and up and up, and we're not getting any kind of relief. We're low income people. I mean, before I even got elected here, my -- my wage -- my income from my pension and social security, because I had to take early social security, was no more than 36,000 a year. We have to be very creative. We gave up a lot of things. We sacrificed. We didn't give to charity anymore. We didn't give -- we reduced the amount we gave to my church. So it's not -- I mean, I get insulted when people say that it's just the renters that get hurt. It is the low income homeowners that have lived in my community in east Austin for years. I mean, that's why the big cry of gentrification is all about. You know, we're being forced out because we cannot afford our community. And it's insult to me to say that it's just going to benefit the rich. You know, my home is appraised higher than my colleague here next to me, don Zimmerman.

[11:44:29 PM]

You know? And if you look at the rate increase there in west Austin, in the suburb area of Austin city limits, you don't see that kind of increases that are going on. It's the inner city that's really hurting right now. The rate increases have gone on in the other areas are from zero to -- from three to zero percent. You know. But my colleagues here on the other side, their rate increases have gone even higher than ours. So, you know, we're just trying to survive in our community, and we're just asking for a little break because here not only -- yes, we'll probably save about 40 bucks or 20 bucks a month, but our utilities are all going to go up. So we need some relief also. You know. And that's why -- you know, I kind of get disappointed -- I mean really disappointed in the last few years when Austin was just really booming, and then the mayor and all the councilmen said, we cut your tax rates down. Well, yes, and you cut their tax rate down, but the commercial businesses got a big bonus off of that. We just had a few dollars, you know, off of our -- we didn't even -- I guess our increase didn't go up as fast, instead of you know, 19%, I guess it would have been 20% if with they did -- cut that rate. But, I mean, this is -- we need some relief also, you know. And that's why I'm supporting the six percent.

>> Mayor Adler: Furs discussion? Mr. Casar.

>> Casar: Mr. Mayor, first, if it was me making that face, I think it's because your mic had turned off mere the end of your talk. So maybe --

>> Mayor Adler: It worked to get me to stop talking anyhow, so everybody is appreciative.

[11:46:30 PM]

>> Casar: Since it seems like folks are making their comments now before the one vote or two or three votes, I'll make mine briefly, try not to repeat myself too much but as I've stated, I'm for reductions in the city budget, as I'm sure all the council is if those reductions are right and reasonable and just, and I'm also for raising revenue for priorities that are right and reasonable and a high enough priority that we think we should get that -- get that revenue because we have to get it from somewhere. So if we have the will in the council to pick up, to do four or five million dollars to use for affordability relief or for public investment, I've argued for using it in the best way possible, and I've stated, I think, pretty clearly, my serious concerns or reservations with the six percent exemption because I think it sends -- sends the wrong message because even though there are so many tools that we are considering and have considered and will use, that we have to accept that this has been the flagship conversation about affordability, and I think that it sets -- sends the wrong message to dedicate all of that space that we saw between the forecast rate and the rollback rate to something that did disproportionately benefit some more than others. And in a district like district 2, you would actually see pretty much half of the homeowners under a six percent homestead exemption that's revenue neutral, actually an increase in their property tax burden, and that would basically be true under six percent or five percent deal, that homes valued at around \$100,000 or \$110,000 or less would actually not see any benefit at all, or could actually see somewhat of an increase.

[11:48:31 PM]

But despite my objections, I did -- I was, I think, smart enough to notice that there seemed to be a majority will on the council to move forward with at least a six percent homestead exemption, and so instead of just deciding that I would vote against it and move on, I decided to get to work and I'm really happy that the mayor was willing and open to have conversations with me about how to make this a package that sent the message to the community [lapse in audio]. So although I didn't get everything I asked for with the five percent homestead exemption, and one -- that one percent, that one to five ratio going to emergency tenant relief, I certainly think it's better. I think it's a step in the right direction. I think it sends the right message, and so that's why I won't be voting for the 20% or the six percent, but would be willing to support five in one deal if we get there.

>> Mayor Adler: Ms. Kitchen, and then Mr. Zimmerman.

>> Kitchen: I'll be very brief because I think I mentioned before that I'm committed to working towards the 20%. But I'm also going to vote for the six percent, but my vote for the six percent does not mean that I don't support putting the 700,000 or so that we were talking about towards rental assistance. , Inc. That we can find a way to do both, and I don't think we have to go down to five percent in order to do that.

>> Mayor Adler: I think I said Mr. Zimmerman was next, and then Ms. Houston.

>> Zimmerman: Thank you, Mr. Mayor. I'll be brief too. First I want to commend you, I want to thank you for allowing us to make the 20% motion first so we can get just a vote on that. You know, I have probably the most -- I hope I have the most fiscally conservative perspective on the council because I come from the most fiscally conservative district, and I have to say from my constituents in district 6 -- and I know this is shared around the city -- there are a lot of people that are resentful of this question that gets raised in the city, how does the city cover loss of revenue?

[11:50:50 PM]

What? It's almost an offensive remark because from the taxpayers point of view, they've been suffering tax increases for many, many years, and their question is, how are we supposed to keep paying these unaffordable taxes that are rising so much faster than our incomes? So it's a matter of perspective for me. I think if -- councilmember troxclair has lid ways we could cut spending without cutting services. We could absolutely provide this 20% homestead exemption. We could also provide relief to renters and to commercial taxpayers as well, if we would just control spending. So this whole thing about -- talk about tax rate -- rollback rates, the city spends too much money. Period. This is the problem. The problem with the city, expenditures have been growing out of control for too long, and that's what's making everything unaffordable. So I would just urge for votes for this 20% because we can show some fiscal discipline. We could pay for it without cutting services, and I just ask for some compassion for the people that are trying to pay their unaffordable rents and taxes in the city.

>> Mayor Adler: Next speaker? Ms. Houston?

>> Houston: Thank you, mayor, and thank you, colleagues as I said on Tuesday, when I campaign, I campaigned on freezing ad valorem property taxes for people who were over 65 and those with disabilities because as I went around the district, regardless, people with fixed incomes were the ones who were suffering the most, as they looked at, do I get groceries or do I pay my property taxes.

[11:52:57 PM]

Do I get my medication or do I pay my property tax? And so I understand the polite plight of people who rent in this city, and as we think about the many people who are leaving our town because they can't continue to own their homes, the city will become more and more rental, and in my mind, that becomes a transition city. And although we tout the fact that we're 55, renters, that's scary to me because when you don't put down roots, when you don't commit to a community, when you don't say that I'm willing to pay my property taxes for schools and health care, and public services, then you can pick up and go anytime you get ready, if you're a renter. And so I'm concerned because of that imbalance that we're depending to see in that shift. The other thing that I'm concerned about is that I think the city of Austin and some of its prior policies put a bull's-eye on my community, and -- and so the house that my family built in 1954 was appraised at \$440,000 this year. \$440,000. It's almost 50 years old. I think? Maybe? A little bit. And it was 15% above the appraisal value from last year. I think somewhere, not intentionally perhaps, and I don't want to say it was intentional, but I think somewhere in my heart of hearts, the market forces said, let's drive these people out, and then we can build whatever we want to on the land that their families built.

[11:55:00 PM]

So that saddens me when I look at how this city has treated its -- the people who helped create this wonderful city and laid the foundations for all of us to be here. So although my first -- my first promise to the people would be to look at property tax relief for those 65 and over, and those with disabilities, that's not going to happen. And so I'm willing to support a five percent exemption, with one percent going to the rental assistance program, because if I can't help my seniors, and a five percent or six percent in my district is not going to do a whole lot for the people, do something. They might be able to get their fourth or fifth medication, but at least people who have problems with their rent, and if the rental increases go up, there may be a resource there for them to be able to not be on the street. I've got about 6,000 children living in the street with their families, and so we've got to find a place for people. It's a tough situation, and it's breaking my heart. It really is breaking my heart to see what's happening to my community.

>> Mayor Adler: Ms. Tovo.

>> Tovo: Yeah, thank you. I'm going to follow my colleagues in making my comments now at the 20% mark though they've apply to the other proposals as well. I'd like to begin by thanking the mayor and my colleagues for really the substantial discussions we've had over the previous weeks. I think we're all extremely concerned about rising costs here in Austin, and we may not have agreement on how best to address them, but I think we're doing a lot of careful deliberation together, and I think that's extremely important.

[11:57:13 PM]

I certainly share the concern that families, homeowners in our communities are being priced out. I also share the concern that renters are finding it increasingly difficult to stay in areas close to their jobs, children's schools. Affordability is one of the reasons I ran for council, and it's been primary to my focus ever since and that's not going to change, but I certainly am concerned about the proposal before us to create a percentage based homestead exemption. Generally I'm very supportive of a homestead exemption. I favor one that's a flat rate, not a percentage. And I understand it's going to be a while until we have that as an option. A percentage-based is the only one that's available to us right now, and I might have found myself -- I might have supported it if we had settled upon a clear plan for funding the gap that's going to result in our city budget as a result of adopting a percentage-based with which, has been said, creates the biggest savings for those with the costly houses. Last year I support of sponsored the resolution that created the homestead exemption that we will be looking now, that we have incorporated now into this year's budget and that gave us time, our staff time to incorporate to plan for that \$3 million, \$3.2 million gap in our city budget. When reraised we started talking about it a good while before it got incorporated into the budget that, again, allowed for more planning and consideration. By voting on this exception today -- and you heard the timing constraints, we don't have any other options if we want it to take effect in the next budget it has to be voted on this month. But by adopting it today, by committing ourselves to whatever the amount is, whether it's a 6% and a \$5.6 million gap or a 20% to, that being an irreversible cost driver in this year's budgeting.

[11:59:32 PM]

At the budget session yesterday I have raised this concern. Because we do not have agreement on how to fund this current proposal. Some among us want to identify cuts within the budget. I'm certainly willing to roll up my sleeves and look for them and join new that search. But we do have a list of proposed cuts from the staff. We have yet to have a substantial discussion about any of those proposals. And it's -- those are not going to be easy choices ahead of us. If we attempt to find the revenue through cuts or decrease spending in the budget. There's some discussion yesterday about the level of our reserve fund. I don't know whether that will become part of a proposal to generate some funding for the homestead exemption. There may be other proposals yet to come, and I welcome them. But most of the discussion to this point has been to raise the tax rate to pay for the difference. Yes, it will shift some of that burden to commercial properties. I'm committed to making sure that our property tax system is equitable and that we really fix what is a broken property tax staff recommendation where commercial properties are undervalued and that burden is shift to go residential. But in adopting an exemption that shifts that burden to commercial properties, we're also shifting it to non-homesteaded residential properties, rentals. Rental properties, whether they're duplexes or single family houses that are [lapse in audio] Shifting \$17 a year to those families in a similarly valued rental at 5%, we're saving the median value homeowner \$17, shifting \$15 to a rental duplex. So, you know, I'm concerned about that. Some families will certainly benefit from this proposal, but the vast majority of our residents will pay more

taxes. Renters typically earn less income.

[12:01:35 AM]

The community advancement networks dashboard shows that renters tend to be more cost burdened in terms of housing. And so this is going to exacerbate a situation for many renters in our community and I know we've had this discussion and there's disagreement about whether those costs will be passed on. So I don't really want to deliberate on that point today, but I believe they will be passed on to renters. And so I would just say I am committed to looking and fostering ways to affect affordability for all our residents, I appreciate the proposals that have come forward. I look forward to supporting an increase in rental-based assistance, but I'm not going to be able to support a homestead exemption this evening for the reasons I've stated.

>> Mayor Adler: Any further debate on this motion? Let's take a vote. All in favor of the motion for the 20% homestead exemption, all done in one year, please raise your hand. Three people, Gallo, Zimmerman, troxclair. Those opposed? It's the rest on the -- [lapse in audio] Ite entertain a motion now for a 6% homestead exemption. Ms. Kitchen. Is there a second to that? Mr. Renteria. Any conversation on this? Those in favor -- sorry. Ms. Gallo?

>> Gallo: I make a motion -- because what I heard was a commitment from a certain group of people on the dais that we would eventually get to the 20%, and so I'd like to make an amendment that it be 6% the first year, 6% the second year, 6% the third year, and if my math is right at this late hour, 2% the following year, so that would get us to a 20% homestead exemption over four years.

[12:03:46 AM]

Did I add wrong.

>> Zimmerman: I'll second that. No your math is correct and I second the motion.

>> Gallo: Thank you.

>> Mayor Adler: It's been -- there's been a motion to add a clause that says that it will be six each of the following three years and 2% in the fourth year. Any discussion on this? Are you coming to the podium? [Laughter]

>> Pool: Mayor, I just --

>> I'm sorry. Leela fireside for the law department and I'm not too sure that you can adopt future exemptions going forward, although you could certainly add a finding that it is your intent to look at those going forward. But the actual -- the language in here, the way that the statute is worded, you just need to adopt the exemption for this year.

>> Gallo: I think we had that discussion at work session, and we had talked about a workaround to do that that would be similar to what we do with contracts that we adopt for multiyears but have provisions within the ordinance.

>> We're not doing a workaround. You can give guidance that you want that to be in the future but it can't be -- this year would be 6% and then you're constructing our intention is to do that in the future.

>> Mayor Adler: Are you comfortable -- I mean, we might be able to do more or less next year. Would you be comfortable with a clause that says that it is also the expressed intent that we get to the 20% total homestead exemption within this next four years?

>> Zimmerman: Can't hear you.

>> Mayor Adler: I'm sorry.

[12:05:46 AM]

My question was, would Ms. Gallo be okay with adding to the earlier motion a provision that says that it's the intent of -- to move to the full 20% homestead exemption over the next four years?

>> Gallo: That would be fine.

>> Mayor Adler: Is there a problem with making that change.

>> Zimmerman: Sounds like a substitute motion, but that sounds fine, right?

>> Mayor Adler: She assistants that's the intent weapon we're on that amendment to -- any discussion?

All in favor please raise your hand. Those opposed? Those opposed are tovo, Garza, and -- [lapse in audio]

>> Mayor Adler: With the addition? Any further discussion? Those in favor of the 6%, please raise your hands. Those opposed? Casar, Houston, tovo, and Garza, passes 7-4. That's that item. Thank you. We were --

>> Houston: Mayor, may I say one thing? I forgot to say this before. The reason I voted against it is because I know how I feel when I started on the council, and somebody in a prior council had set the path for me to go on with a whole lot of money, and I thought that's not fair, and I didn't want to be that person to the next council coming on. So that's why I didn't want to do that staggered 6, 6, 6, and 2.

>> Mayor Adler: I understand. Ms. Troxclair?

>> Troxclair: Because I didn't mention it earlier, I just wanted to reiterate that now that we've adopted a 6% homestead exemption, at least for me it's not an either/or proposition of helping homeowners or renters and I do really appreciate the mayor and councilmember Casar working together to come up with the proposal to specifically target lowering the cost of living for renters, and I look forward to working with both of you and the rest of the council over the coming weeks and months to make sure that we can provide property tax relief for everybody.

[12:08:12 AM]

>> Mayor Adler: And I would expect and hope that Mr. Casar would come with that motion pretty quickly because that's certainly my commitment, and I think the commitment that others made at our work session on Wednesday I think when we discussed it.

>> Casar: I was going to say you'd see it seven days from now but now that it's Friday I guess you'll have it six days from now.

>> Mayor Adler: What a horrible thing to have happen.

>> Renteria: Mayor, I also want to go on record that I'm going to be supporting that.

>> Mayor Adler: Ms. Gallo.

>> Gallo: I do too. I think I appreciate the fact that we -- that it takes multiple solutions to come up with a whole solution, and so I've been very involved with the rental district for a long time and I really appreciate all your work with that and I look forward to supporting it in six days.

>> Mayor Adler: Okay. That gets to us the last item on our agenda, number 19. We were in the middle of that before. Let's finish that up. Ms. Houston, do you want to set out what your issue is with this? Can we have staff come forward? That would be helpful.

>> Houston: Yes, I'm going to try to do it fairly quickly. This project, Chicon, was, I believe -- came before the city council in 2012. Is that correct?

>> David potter with neighborhood [indiscernible] And that is correct.

>> Houston: And --

>> 12.

>> Houston: 2012 and I happened to be here and was able to sign in and speak because there was no conversation about housing affordability. We used the term "Affordable housing" very loosely in this city, and it means so many different things to so many different people. And so the larger policy question is what do we mean when we talk about affordable housing?

[12:10:14 AM]

And so now three years, three years later we're back again, based upon my calculations, we've provided about how much in funding to the project to get them to where they are now.

>> To chestnut, 2.6 million so far. And to the other organizations, Guadalupe neighborhood development corporation that also has a development injured way we have provided 3.8 million so far.

>> Houston: Guadalupe started in 2009, if I'm not mistaken.

>> Actually, 2008.

>> Houston: 2008, okay, sorry, little off. So the issue for me is that you've heard me talk about how housing is termed affordable but the median family income in district 1 is \$42,000 and so here we have a project that the city is supporting and they're going to be [lapse in audio] For \$150,000, one bedroom, one bath, for \$145, mid sized units, two bedrooms, two baths for \$185, three bedrooms, two baths for \$245,000. In some parts of Austin that is affordable. For people who are closer to downtown [lapse in audio] Leased property to housing, home ownership, this creates a problem for me. And the difference between this particular development and Guadalupe is that their housing costs start at \$85,000, which for the community that I'm concerned about is reasonable, and goes up to 100, maybe, 85 to -- you don't remember that one?

[12:12:23 AM]

Okay. So I guess the question is what's the difference? All we're doing tonight is talking about a land trust, right?

>> All we're doing tonight is designating -- if you approve, designating these two organizations as community land trusts. It's under state lieu, municipalities can designate organizations that are developing affordable home ownership opportunities as community land trusts, and the benefit of that would be to give those organizations an exemption from the city's portion of property taxes and they have to reapply for that each year, and so that's what we're considering tonight.

>> Houston: Right.

>> Whether or not to --

>> Houston: Right. So we've already given them two years exemptions on property taxes, right? This is the third time they've come back?

>> This is the third time we've come for designation as clts.

>> Houston: Clt?

>> Sorry.

[Lapse in audio] Community land trust.

[Laughter]

>> Houston: And so at some point you'll be coming back to us or they will be coming back to us, asking for some more money.

>> I anticipate that on August 6 we'll be bringing an item before the Austin housing finance corporation board of directors for an increase in funding for this particular project.

>> Houston: So I need to share that my concern is that the housing is not workforce housing, it increases the gentrification that we continue to complain about. The city is complicit in this because they bring forward these proposals that are affordable but to people who make 80% and above or 80% and 60, 70, maybe, but we don't really know how to measure that and we're not really track that and there's so many things we don't know that we just trust that are gonna happen.

[12:14:25 AM]

And so we've got Garza right up the street, school teachers can't afford to live there at that cost, even if it's a single person. Families -- a family with a child can't afford to live there. So, I mean, I have a lot of concerns about what the city is doing when we're doing affordable housing in areas where they need home ownership where people can put down roots and be able to afford to stay there. And so that's my concern. I'm not concerned about Guadalupe. I'm just concerned about the one we just approved and now we're going to give them another tax break and they're going to come back. So at that point I'll be asking in August what's taken so long, why.

[Laughter] Are the costs so high, why can't we really talking about housing that people who make \$42,000, a family of four, could live in? Rather than people, one person, you know, two people, different kind of culture. So that's my concern. And my concern was about the difference between Chicon and Guadalupe and why -- how can those things be so different in who they serve? And I'm sure you'd like to answer that.

>> Well, I think my answer is going to be, well [lapse in audio] August 6.

>> Mayor Adler: Okay. Any further comments on item 19? Mr. Zimmerman.

>> Zimmerman: Thank you. On the second page or maybe the back -- let's see. Second page of the letter from Betsy Spencer here, towards the top of the page, I'm reading both organizations are seeking designation as tlcs in the event the housing is not developed and sold within the three-year exemption period. The first thing that jumps out at me, is the difficulty we have in the city of getting property developed and getting these agreements worked out.

[12:16:29 AM]

You talked -- can you talk to me about why is this in here and what does this mean?

>> Sure. Under another statute, organizations that are nonprofit, affordable housing developers can get a 100% exemption on their properties while the property is being held and developed. They can get that exemption for three years. And so currently each of the properties connected with these have a 100% exemption that will expire after the third year. However, when the homes are built and sold, the homeowners who own those properties will be paying taxes on those.

>> Zimmerman: I got that. But you danced around that thing pretty well. Right? The question here is what happens if the homes don't get built and sold? You told me what happens if they do get built and sold and avoided the question I asked, which is why is this in here? They're anticipating they're not going to get them built and sold.

>> Perhaps within a three-year period.

>> Zimmerman: Correct, they on the get them done within a three-year period.

>> What happens is they lose that 100% exemption if they LE apply annually for the community land trust designation with the city, then the city's portion of property tax would be exempted. They would -- they have lost though the 100% exemption

[lapse in audio] Appraised at, except the city's portion would be exempt if this is approved.

>> Zimmerman: So they would have to pay aid taxes? They just wouldn't have to pay the city tax but they would have to pay county, city --

>> That's correct. This exempts the city's portion.

>> Zimmerman: Thanks.

>> Mayor Adler: Further discussion on item 19?

[12:18:30 AM]

Is there a motion to adopt? Mr. Renteria.

>> Renteria: I also would like, when you bring it back would you brick it back in two separate amendments?

>> Oh, okay. I see what you mean.

>> Renteria: Yes.

>> Each organization separately?

>> Renteria: Yes.

>> Mayor Adler: Okay. Is there a motion to approve number -- item number 19? Is there a motion? Ms. Pool moves it. Seconds by Mr. Renteria. Any further discussion on 19.

>> Kitchen: Sorry, slow at this point at night. So it's coming back. Are we only approving on second reading? Is that what we're doing? Why is it coming back.

>> It comes whack in August for money.

>> Renteria: Money.

>> Kitchen: I got you. Thank you.

>> Mayor Adler: Okay. It's been moved, seconded. No further debate. All in favor please raise your hand. Those opposed?

>> Houston: Abstain.

>> Mayor Adler: It is 9-0 with two abstentions, Houston and Zimmerman.

[Lapse in audio] Let's go to bed. We stand adjourned.