

City Council Budget Work Session Transcript – 08/27/2015

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>> Mayor Adler: All right. I'm going to go ahead and open -- call to order the Austin city council meeting here today on Thursday, August 27th.

>> Mayor, could we take just a short 10 or 15-minute break just to stretch our legs? I know we're pressed for time, but we've all been sitting here two hours now and -- does anyone else --

[11:11:09 AM]

>> Mayor Adler: What's the preference on the dais?

>> 10-minute break, I'll second that.

>> Mayor Adler: It's been a request for a 10-minute break. A lot of people are shaking their head yes. We're going to take a 10-minute break and then we'll get on with this meeting. Thank you.

[10-minute recess]

[11:29:51 AM]

>> Mayor Adler: Are we ready to go ahead and start? This time for real. If I haven't done this before, I am opening the Thursday council budget work session and meeting, Thursday August 27, 2015. It is now 11:30. We are in the city of Austin council chambers, 301 west second street, Austin, Texas. Today is primarily a budget day, but we do have one matter that we set on the agenda assuming that we would be able to handle it quickly. It is the airport contracting matter that I think that went to a committee. It is item number 1. I think this went to your committee, Ms. Tovo? Would you talk to council about that.

>> Tovo: Sure, yes, mayor. We took this item up yesterday morning and we did recommend to the full council moving forward with this contract. We had several speakers who came to speak. We had a representative from Allegiant airline and we had two representatives from -- I'm going to look to my committee for help here, American and United, I believe, right? Thank you. And then we also heard from our staff and it was, again, the committee's recommendation that we move forward. The airlines in the main terminal do have an interest in moving forward with a contract, but we agreed as a committee that that was a separate issue from the one that's before us on the agenda and again voted to recommend. And vice chair Troxclair, can you help me remember, I believe that vote was unanimous. Thanks. Sorry. We had a lot of meetings yesterday. I should have come better prepared.

[11:31:52 AM]

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Thank you, mayor. I did post today, I did attend, I was allowed to sit in on the meeting, a very interesting meeting, but we did post on the council message board yesterday, the date stamp

shows 4:49 P.M., as soon as I could get to it, but I'm going to be proposing an amendment. It says south terminal highstar contract remove capital recovery. Whenever I guess we get around to making a motion, I would like to submit that amendment.

>> Mayor Adler: We also have some speakers that want to speak. This went to council so I'm going to call four on each side at two minutes each. Ms. Tovo, do you want to make a motion?

>> Tovo: Thank you. I will move approval of this item.

>> Mayor Adler: Ms. Troxclair, do you want to second? It's and moved and seconded. We're now going to ask the public if they want to speak. Two minutes, four on each side because this item has gone to a committee. I'm going to call up first Gus Pena.

>> Good morning, Mr. Mayor, councilmembers, city manager, my name is Gus Pena. I am president of veterans for progress. To my right is Lucio Pena, my son/nephew. Now we have his baby daughter and spoke to councilmember Garza about her addition also to her family. One of the things I don't love is this. I'm going to speak professionally and respectfully and I always try to do because they are here and I want them to learn positively, but the backup does not reflect any kind of information as to why the change and why the proposed. I understand the vote was taken in committee already, but a lot of us are not able to attend committee, committee meetings.

[11:33:54 AM]

We're inundated with the county commissioners court, at the capitol. So it is very difficult for us to voice our opinions and concerns in subcommittees and committees. So I feel, we feel, veterans for progress, we're 5500 strong, we feel that this does not do us any good in the community. It doesn't tell us why there's a proposed change. We feel that the -- the current service providers have provided good service. We feel why the radical change. And we feel offended because us the public has not been afforded enough information to make a -- a knowledgeable decision on what position we're going to take. And I demand, Mr. Mayor, that you all do a better process of informing us with all the quantitative, substantive information so that we can become more educated and educate our members. We're 5500 strong and they are going to come over on other issues, but anyway, please can you notify some of the public as to why the radical change? We believe strongly the current operators and service providers have been doing a good job and we just want accountability from y'all, we want accountability for our tax money and how y'all spend our tax money. Thank you very much.

[Buzzer sounding]

>> Mayor Adler: Thank you. I have four more speakers against for three spots. James Moore, David sellers and officials badden and chuck Allen and I would call up three. If those three want to share time among themselves or change the order, they certainly can. The next one that appears on my schedule is James Moore.

>> [Inaudible]

>> Mayor Adler: Yes. Yes.

>> Good morning, mayor Adler, councilmembers. Thanks for having me here today to speak. As I mentioned, my name is David sellers with southwest airlines and yes, I am the guy that has flooded your inboxes and mailboxes with letters over the last several weeks regarding our concerns at the airport.

[11:36:01 AM]

I want to apologize to the committee that met for not being here. I was at Austin, at the airport meeting with the cfo talking about the very important business of the airport's budget and rates and charges and I was not able to make it down yesterday so my apologies. I did get up very early this morning and watch the recording of the session and I got to tell you I was quite surprised to hear of allegiant's good words

of transparency throughout this process. All I can say is good for allegiant. That has not been the case for southwest airlines. We've had a very difficult time getting information that we've needed to help us accept or support this deal. You know, today we carry about 40% of the market, 60 flights a day and this November we'll add our 27 or 28th and 29th new nonstop service from Austin. I came down here in June to talk to aviation about how do we do that, how do we manage the good problem of growth at Austin because we know there are facility constraints here. I was told and I stress the word told that the airport was going to be converted to shared use. Any new Gates constructed would be shared use. There were no Gates available and we are going to open the sternale natural. Southwest has been here since its inception and we have a fantastic partnership with the city of Austin. These are very important and critical operational decisions made at the airport that have a negative impact on operation or at least potentially could. As an example, shared use as presented to us in July would more than double our operating costs at the airport. We want to talk about that. We understand, you know, there may be some other nuances to it but we have not had that conversation.

[Buzzer sounding] Is that my beep?

>> Mayor Adler: It is. Is there someone else in that group that would share their time?

>> Come on up, Michelle. Sorry it took so long.

[11:38:05 AM]

>> If I don't -- I don't think I'll run through my time. Hi, Michelle Baden with united airlines and I want to echo my colleague's comments regarding our efforts to engage in discussions with the airport in order to understand the proposed south terminal project and its impact on the carriers operating at the Barbara Jordan terminal. Unfortunately in the very short period of time since teach become aware of the proposed agreement we have not been able to satisfy our lingering questions and we remain very concerned this deal will result in unfair and discriminatory treatment of carriers in terms that will economically disadvantage the carriers at the Barbara Jordan terminal. The simple fact is without any agreement beyond an expired agreement, crenly a monthto month holdover. Carriers at the Barbara Jordan terminal have to certainty to prevent us from bearing the costs of a south terminal gone back or discriminatory treatment. As a group the carriers propose terms to be incorporated into a very simple 10-year lease extension for the Barbara Jordan terminal which we believe would ensure a fair and equitable playing field for all carriers serving abia and provide certainty for stakeholders and memorialize some of the statements that have been publiclyly made regarding the highstar agreement will not result in harm to the terminal. I'm respectfully requesting that mayor Adler and city councilmembers you delay action on the highstar agreement in favor of bringing forth bolt an agreement for carriers at the Barbara Jordan terminal and the highstar deal concurrently so all parties can understand and have certain of the economic terms and conditions that we'll be operating under and that they will be fair and equitable. Thank you.

>> Mayor Adler: You have a few more seconds.

>> A few more seconds. We would just add that look, we made a proposal to the airport that we believe is win-win. Everybody wins in the deal. We would like serious consideration to that. It's a simple lease amendment that would satisfy what we believe a number of if not all the open issues we had with the deal.

[11:40:11 AM]

[Buzzer sounding] Thank you very much.

>> I have a quick question. In the language there was a memorandum, a letter sent out that I'm sure you've seen that talked about capital recovery.

>> Correct.

>> Zimmerman: And so in the case that that capital recovery was cited, if the south terminal failed and there were millions of dollars to be paid back to the investors, is it your contingency that because you are on a month to month agreement, you don't have a long-term contract.

>> That's correct.

>> Zimmerman: So if those millions of dollars came back to the airport, to the constituents in Austin that your costs could be increased to cover that financial loss?

>> That is an excellent question and one that we are still seeking an answer to. You know, the airport is an enterprise fund and it operates on its own. So the assumption would be that if the city found itself in a position to reimburse highstar, those moneys at least from the information we have to date will come from the airport coffers.

>> Zimmerman: They have to come from somewhere. I've been told they won't come from city taxpayers because the airport is an enterprise fund but it still versus to come from somewhere.

>> It's an up front investment by highstar that will be paid in full if the endeavor fails. And, you know, I have been in this business a very long time and I would give my left arm to have a back stop like that. It's virtually risk free for the first three years. And, you know, we think that's a bad deal, but southwest is not in the business to advice the city on what we believe are good deals or bad deals, but we are obligated to raise our hand when we think those business deals negatively impact us. This is one of those situations whereas of today we believe there are some negative impacts here. We believe a number of those can be mitigated by this win-win solution we've put forth. And it removes a lot of these obstacles. I mean if the city wants to proceed with the deal with highstar and we can get a lease agreement that protects our interests at Barbara Jordan, I believe that's a decision the council needs to make.

[11:42:13 AM]

We've asked for nothing more in our lease agreement than our existing deal extended with a couple of tweaks. Network planning at southwest wants to add a lot of flights here. They want to continue to grow. We've got to have some certainty. We can't be operating on a month-to-month basis and not know the investments we're going to make and the people we're going to hire and flights we're going to add are at risk on a 30-day basis.

>> Mayor Adler: Mr. Renteria

>> Renteria: It was state yesterday that, you know, we had deferred this item to give you a chance to sit down and negotiate. And did you -- were you going to sit down there and talk this over with -- what happened during the --

>> This is the now infamous question and answer exercise we went through. We proposed, well, first of all we asked that that exercise be postponed. We sent the term sheet with our terms to Mr. Smith on Thursday and we respectfully asked that the session be postponed until the following week to give aviation an opportunity to look at the terms. Quite frankly a anticipate appears of the terms would have probably mitigated a vast majority of the questions we had. We did not participate. There's some debate over whether we shut have called in or not. We felt it more productive to focus on the win-win solution than continue to be mired in what had become an unproductive and ineffective question and answer session. You know, we're not the smartest cats in the airline industry, but we do see the fact that -- at least we're of the opinion there's going to be a deal struck here and we're interested in moving on. We're interested in getting what we need to make us happy in the Barbara Jordan terminal. In terms of the south terminal and expansions and those sorts of things and let's move past this and get back to the good business of growing Austin and adding service and the good business of giving austinites many, many travel opportunities to destinations where they want to go.

[11:44:22 AM]

>> Renteria: You are asking for a delay. I mean how long are you asking for? We delayed it once already.
>> You know, I think the deal can be done pretty quickly. It's a simple one-page amendment. We have set forth a term sheet which quite frankly could be signed today. Much like the highstar term sheet was executed, it can be signed by aviation today and then we would have a commitment at least some commitment from aviation to move forward with our

[inaudible]. I don't know, our discussions thus far have been sort of in a vacuum and generally my experience here is we get folks in a room around a table, we stop writing letters, we stop sending emails and we have a good productive conversation over how we can get to a win-win solution. We're willing to do that next week. I -- you know, I was here yesterday, got off the airplane, was told to get back on the airplane, I can do that every day next week if necessary. We're prepared to roll our sleeves up and get a deal. So, you know, I will defer to the aviation department on how quickly we can get an executed term sheet and how quickly we can sit down at the table and get a deal.

>> Mayor Adler: Ms. Houston, then Ms. Pool.

>> Houston: Thank you, mayor. I have a question for staff, please. Thank you, Mr. Smith. Can you tell me how many times this has gone before the airport advisory committee, commission?

>> The airport advisory committee has voted on it once and got briefings on it two additional times. It's been there three times. In addition, the process started in June.

[11:46:23 AM]

Southwest made a request that we postpone the action item which was originally scheduled for June 12th. We listened to them and we postponed it to the 18th. On the 18th, they requested a postponement to later so what we did is we modified our action item before the council to go from negotiate and execute to just negotiate so it would force us coming back in August. We came back in August, and all through this period they were saying they had questions that were unanswered. We created an opportunity to put all those questions on the table and then hold a meeting, and at that point they decided not to participate in that session. Instead they submitted a -- as Mr. Sellers said, a one-page document talking about a lease extension in the main terminal which really has nothing to do with the south terminal. They are separate issues. So from our perspective, we think this has gone through numerous delays today already in an effort to try to accommodate and answer any questions that they may have. And towards the end when we had an opportunity to do that, they have just created a diversion with the lease discussion back in the main terminal.

>> Houston: Thank you. Thank you, Mr. Smith. Mayor, I too am ready to go ahead and move this forward because these are two separate issues and I feel like I'm being held hostage by this new wrinkle that the airlines in the Barbara Jordan terminal have put forth before us so I'm ready to go ahead and vote this on.

>> Mayor Adler: Okay. We still have another speak after.

[11:48:26 AM]

>> Mayor Adler: Chuck Allen.

>> Mayor, I have a [inaudible] To staff. It's a followup from our previous discussion.

>> Mr. Mayor, looking to bring a point of order. The posted language says lease. So is there a lease? I haven't been able to find a lease. It says we're going to execute a lease. Just a heads up.

>> Mayor Adler: That sounds good. Mr. Allen.

>> Chuck Allen, I work for American airlines in Fort Worth, Texas. You've heard my colleagues describe our efforts to engage the aviation department and you've heard a win-win solution that includes a 10-year lease for Gates in the Barbara Jordan terminal. I support and concur with those sentiments. For the past two weeks the Barbara Jordan terminal airlines have tried to understand the motivation of a 30-year lease for a terminal that by all estimates will handle about 3% of the boardings and the folks traveling from Austin. And why the airlines that have spent tens of millions of dollars [inaudible] Of Austin's air travelers have had no response to our desires to have leases a third the length of what you are being asked to approve today. A 30-year lease for about 3% of travelers versus a month to month for airlines handling 97% of your travelers. I'm not sure by any measurement that sounds fair nor reasonable. Our simple ask, as we respectfully ask in all fairness to all of your constituents and the stakeholders to delay this agenda item until late September, earlier if you choose, instruct or city manager to negotiate a lease with the airlines in the Barbara Jordan terminal that is fair and does not economically disadvantage any of the Barbara Jordan terminal airlines. All of us want the certainty a long-term lease provides, that is fair for one airport tenant, it should be fair and made available to the others. I remain here for your questions.

[11:50:26 AM]

>> Mayor Adler: Does anybody have any questions?

>> Zimmerman: Again I'll pose it to you. We are publicly posted -- I'm going to read you the item, it says authorize execution of a lease agreement with highstar capital, et cetera. So have you seen the actual lease agreement? Because I haven't.

>> We've seen a term sheet.

>> Zimmerman: I've seen a term sheet and memorandum of understanding. This is calling out a lease. I think that language would mean something. In the airport business a lease is not the same as a memorandum of understanding or term sheet.

>> That's correct.

>> Zimmerman: So you haven't seen a lease.

>> No, sir.

>> Zimmerman: Thank you.

>> Mayor Adler: All right. Thank you very much. We have a speaker for this, Keith Hanson.

>> Mayor, I think the legal department is here to answer the lease --

>> Mayor Adler: We can do that and I think we have other questions for you as well, but let's get this last public speaker speaking and then we'll let everybody ask lots of questions. Mr. Hanson. Two minutes.

>> Good morning, mayor Adler, members of city council. Thank you for the opportunity to speak again before you today. My name is Keith Hanson, director of airports for Allegiant Air. We appreciate the consideration this council has given this proposal and we appreciate the additional two weeks that were granted the last time we met to talk about this. Allegiant, Frontier, Texas Sky and Air Canada used those two weeks to engage with the department of aviation and Highstar to consider the proposal to talk about revenues, profits, costs and all of those items that this council is discussing right now. We find it somewhat curious that the major airlines, in fact those who petitioned this council for more time, chose not to participate in those conference calls and not to submit questions. And I heard earlier from my colleague that the thought process there was that they didn't want to engage in an unproductive question and answer session.

[11:52:33 AM]

I can tell you that that session was not unproductive for those airlines that participated in it. We all know that the time for this is now. Austin is out of gate space. Earlier this month Allegiant announced new service out of San Antonio. Those were flights that could have gone to Austin. Unfortunately because Austin is gate constrained and doesn't have room for additional capacity they didn't. Again, my colleagues today mentioned there are other airlines. They want to grow as well. There's no room. We don't have a gate to lease. Their Gates are quickly filling up. It is time to act now on the south terminal and open up some capacity for the airlines, all of the airlines to grow. I also want to mention that that terminal is open to all the airlines who choose to use it. It's not just the Allegiant terminal or the ultra low cost carriers term New Hampshire. Any airline is welcome to use that terminal under this proposal. Allegiant was encouraged to see the audit and finance committee yesterday unanimously approve this measure and recommend it to the full council for approval.

[Buzzer sounding] Happy to answer any questions.

>> Mayor Adler: Thank you very much. The last speaker is David King. Do you want to speak?

>> No.

>> Mayor Adler: Thank you. We are now back up to the dais. Would staff please come up? Thank you.

Ms. Pool, do you want to start us off? Or do you want to --

>> Pool: Sure.

>> Just as a point of clarification if I may, there was a question about execution as opposed to negotiate and execute. Typically with lease situations -- Nick Goodlange, assistant city attorney. Typically with lease situations we'll have negotiate and execute on the same agenda item and there will be authority for both. This came before council, this matter came before council as negotiate and execute in June. At the last minute it was limited to just negotiate and so when we were bringing it back instead of bringing negotiate and execute back as one item, the department and the law department got together and it seemed to make sense to just put execution as opposed to reaffirming the negotiate and execute portion of that.

[11:54:50 AM]

But as I said at the outset, typically lease situations with the city we bring it forward, negotiate and execute and he with don't actually attach a document.

>> Mayor Adler: Would you also address the lease question? Is this a lease?

>> Excuse me?

>> Mayor Adler: Is this a lease?

>> This is a ground lease.

>> Zimmerman: So where is the lease. What I have in front of me in the backup materials, I just looked it up again and it's a letter to a investor in New York. It's kind of the general terms of what a lease would be, but it's not the lease. It doesn't look to be the lease.

>> That's correct. There is no lease attached.

>> Zimmerman: So how can we award execution of a lease that we don't have? Is that legal?

>> Yes, it is. It's just granting authority for the city manager to negotiate and execute the lease. We already have the negotiation piece approved by council so -- so that authority is -- instead of seeing it together like you normally would with negotiate and execute it's just the second half of that piece.

>> Zimmerman: Okay, so as a policy, I don't think the council -- if you already know what the lease is going to be, we need to see the lease and vote on it. In the name of transparency, I would ask to see the lease before you ask me to vote on it.

>> Mayor Adler: Thank you. Further comments now? We're on the dais. Ms. Tovo, then Ms. Kitchen.

>> Tovo: I had a question for Mr. Smith. We asked this yesterday but I want to be sure we have an opportunity to hear your response. You had given us an estimate of what you thought it would take to

have a contract discussion with the airlines in the main terminal, and I thought you said it was a pretty extensive period of time.

>> Yes. Yesterday I alluded to a minimum of one year. Sometimes longer. The last lease that we negotiated with the airlines took more than a year and a half to come to a conclusion on the document. So I would anticipate something similar and that is the norm within the airport world.

[11:56:57 AM]

What they submitted was really an amendment, like a one-page extension document. There's a lot of other things that would need to be addressed if we're going to extend somebody's term in the terminal to ten years that are not contained in that one-pager.

>> Tovo: Thank you. Thank you. And I concur with councilmember Houston, I believe these are two separate issues and that, you know, I believe it's in the best interests of the city and of the airport and for the community members to move forward with this lease. I think it's a good opportunity for our community members and we certainly -- am certainly very happy to have the other airlines here in Austin and we look forward to you continue to go thrive too. Mr. Smith, do you see these issues as related or would you agree that they are separate issues?

>> No, I think they are completely separate issues.

>> Tovo: Okay. Thank you.

>> Mayor Adler: And I went out of order. Ms. Pool, I recognized you and didn't come back to you.

>> Pool: Thanks, mayor. I just wanted also to indicate my support for going forward with the lease as been presented to us by Mr. Smith and recognize that the amount of time and effort that it will take in order to work through, it may be one page, but it will have significant collateral ramifications and I think in the best interests including of the airlines that we take the time it would be necessary in order to look over what changes y'all may be looking for in your agreements with the city at the airport. But the question before us is approval of this specific lease agreement with allegiant and highstar and I fully support the proposal that's before us and will vote in that manner.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: I just want to understand, I understand the thinking that these are separate items, but I would like to have -- I would like to understand why they are not considered linked because I'm hearing a concern that the -- the south terminal lease may pose an additional financial risk to the Barbara Jordan terminal airlines.

[11:59:09 AM]

So can you just help me understand why you consider these not to be connected and whether there is a potential for a financial risk to the Barbara Jordan airlines? Or whether there is or isn't.

>> From our perspective there isn't. There's two ways we collect revenue at the airport. One is from the airlines where they pay us rent for their facilities, they pay us landing fees to use the air field, things like that. And there's nonairline revenue. And that nonairline revenue comes from parking, it comes from rental cars, it comes from concessions. If this were to fail and we had to reimburse highstar according to the business terms that we've agreed in the agreement, that would come from nonairline revenue sources, which are not paid by the airlines. And that represents about 50% of the revenue that we collect at the airport so it's a significant amount of money. In addition, we maintain large cash balances which are necessary to maintain bond rating and between what we bring in in nonairline revenue as well as what we have in balances we don't consider a need to have to impact the existing airlines if something were to go wrong.

>> Kitchen: I have just two followup questions, I think. So the airlines at the Barbara Jordan terminal, I

assume they are under lease right now?

>> They are under carrier, the lease expired -- it's a month to month lease arrangement. And prior to the south terminal discussions, nobody from the airlines said they were in a rush to enter lease notions. And we also were not in a rush because we're still trying to sort out how do we want to operate the terminal under these constrained conditions. Mr. Sellers brought up shared use. The implementation of a shared use at the airport is a big deal.

[12:01:11 PM]

It affects everybody who operates at the airport and there's still a lot of discussion that is required to put all of the systems in place to make sure that's equitably handled.

>> Kitchen: So they are on month to month now because their lease expired?

>> Yes.

>> Kitchen: How long ago did it expire?

>> About a year ago roughly.

>> Kitchen: So they've been on month to month for a year. My question would simply be what are you thinking in terms of when to -- if I'm hearing correctly, the -- these airlines at the Barbara Jordan terminal are now requesting that they would like to move forward with lease negotiations. When are you expecting to start that?

>> Well, effectively the discussions we're having with them on shared use are really part of the lease negotiation because it's one of the issues that's going to have to be settled before you can have a lease document.

>> Kitchen: Okay.

>> So were willing to engage in the airlines as frequently as they are willing to come to Austin and talk. But there are a lot of issues that get rolled up into a lease discussion.

>> Kitchen: Okay. It concerns me that -- I do support going forward with the south terminal, but I am concerned about what sounds to me like an open-ended -- very long-term lease negotiation process. And so I'm wondering if you would be -- if it would make sense to you to report back to us in a couple of months or to the appropriate committee on the status of those negotiations with the airlines in the Barbara Jordan terminal.

>> Sure, we can do that.

>> Kitchen: Okay. Thank you.

>> Mayor Adler: Further conversations from the dais?

>> Houston: I would like to call the question.

>> Mayor Adler: It's been moved to end debate. I think you might be the last speaker, Ms. Gallo. Do you want to go ahead real fast?

>> Gallo: May I ask a couple of questions. The city currently manages the Gates at the main terminal, manages the main terminal; is that correct?

[12:03:12 PM]

>> Yes.

>> Gallo: And is it the city's plan to manage the newly constructed -- to be constructed south terminal?

>> The arrangement calls for the business terms of the agreement as we're leasing it to highstar. Highstar will then manage the facility out there under the operating requirements that we establish. So we establish the operating requirements of how the terminal will be operated. We have a staff person out at the south terminal overseeing their operation. We have the law enforcement officers out there for security. So, I mean, the bottom line is we have extensive involvement with how that will operate,

but they technically will be the operator of the terminal.

>> Gallo: And that's the limited service terminal. And the new terminal that we will be constructing to extend the present facility, will we be managing that?

>> Yes, it's just the extension of the existing arrangement.

>> Gallo: So, you know, I support -- I absolutely support Austin having a discount airline terminal. I mean I think that -- that that business model as airline tickets get more and more expensive, I think there's going to be a need in the public to be able to have those options. But I'm really concerned and really struggling with giving the management of this limited services terminal to another entity other than city of Austin. I think had your department -- were they not doing such a good job managing the airport as it is now, I would feel differently, but you have, you are running a good department, the airport is one of the best in the country and I'm just really having a problem with why we as a city are not taking on that management ourselves. I know you've talked about the risk of that, but I think we do things that are risky in other areas and I just -- once again, I really would prefer the city to take on the management of that limited service terminal instead of giving that relationship to someone else because I think then it allows the city to maintain equitable and consistent relationships with all of the airlines.

[12:05:27 PM]

And that's -- that's one of the things that I'm concerned about. So, you know, I'm not supporting it mainly because you guys are doing such a great job managing the airport, I just think we should manage that facility also. So thank you.

>> Mayor Adler: What I'm going to do here is Mr. Zimmerman had asked to be recognized for an amendment and I'm going to give him the opportunity to move that amendment. If there's a second we'll take a vote on it.

>> Zimmerman: Thank you, mayor. Again I'm referring to the council message board. I posted the amendment there. And it reads basically the -- there's not a lease, as I understand it, but there's kind of a memorandum of understanding and in section 10 on page 6 of that document, there's a section called capital recovery. I move that we strike section 10 from that letter. I'll give you a second to find that. That letter -- it's called memo to mayor and council, limited service terminal at abia. And that document is there in the backup, and on page 6 of that, section 10 is capital recovery where the airport and all of us indirectly are responsible for capital recovery to pay back loans in case of failure. I would like to strike that whole section.

>> Mayor Adler: Mr. Zimmerman moves to strike the capital recovery portion of this lease agreement. Is there a second to that? Ms. Troxclair seconds that. Is there any debate on that before we take a vote? I think we may be familiar with the issue. Who wants to speak? Ms. Tovo.

>> Zimmerman: I'll speak first to that. Sure. When this first came up, I expressed support for the south terminal, I still support the south terminal. My only concerns have been clarity and transparency on what the financial risk is to our airport.

[12:07:29 PM]

And there's a lot of discussion around council about profits and private corporations and how I thought it was the will of this council to not subsidize -- to not take on risk for a private company. And this element of the agreement, it really provides for highstar to reap the profits of their enterprise of managing this facility, but then there's a risk to the public, to the airport which we support publicly, there's a financial risk that is not capped. I asked city staff to tell us what that cap was. Is it 10 million, 12 million, is it something else? But as section 10 provides for, we have an unlimited legal obligation for capital recovery. It's unspecified. I've asked for this repeatedly from staff, tell me what that upper

number is and let's put it into the agreement so we know what our upper risk is. And those requests have been ignored. So I'm going to -- I urge my colleagues, you know, I don't have a problem with companies making profit, but have you to assume the risk. Don't put the risk on the public while you assume the profits for yourself. So that's why I'm urging passage of this amendment to strike this section and not have a financial liability for this agreement.

>> Mayor Adler: Further discussion? Ms. Tovo.

>> Tovo: I wanted to ask Mr. Smith about both of those points. One, we did have a discussion and councilmember Zimmerman made the suggestion that those -- that the value that could be -- that the city could be liable for reimbursing capped at 10 million and we had this conversation and you indicated that was hard cap. Can you confirm that?

>> It was a memo we sent to mayor and council on August 12th. The one, two, three, four, fifth paragraph says that highstar has agreed to the cap at \$11 million.

[12:09:32 PM]

>> Tovo: Thank you. And then to the first point he made, that would be a pretty significant change to the arrangement that you have been negotiating with highstar. Do you believe they would proceed forward with the lease if they -- if the city does not agree to reimburse them that 11 million if they pull out within six years?

>> They have representatives who can answer the question, but no, I don't think so. It was a key component of the negotiation. We don't like the capital reimbursement provision either but it's part of the give and take necessary to get their investment into the deal. The bottom line is capital investment of more than 11 million will be put into the facility and that doesn't include the operating capital that they have to put at risk just to get the terminal operating as well. So as part of that, this is how the capital recovery provision emerged in negotiation.

>> Tovo: Thank I. I know we've had at least two other conversations where you have offered that rationale, but I wanted to provide you with an opportunity if there is any other reason -- I assume that is why you are recommending even with that provision that it still is a good investment for this city or a good -- a good opportunity for the city even despite that risk. Potential risk.

>> The only scenario we're getting three Gates for roughly -- potentially in a worst case snare -- snare row and every gate we add on is going to cost between 25 and \$30 million. Financially yes, there's a potential risk, but we think it's a reasonable risk getting gate space at a time when we are terribly constrained.

>> Tovo: Thank you. I hate to ask you questions you've answered before but I wanted to offer you the opportunity. Thank you.

>> Mayor Adler: Further discussion or debate?

>> Casar: So I just want to clarify that those Gates, that capital is being invested by highstar, the city is ultimately the owner of Gates at our airport.

[12:11:42 PM]

>> Yes. Every lease at the airport we remain the owner. And we inherit the improvements at the end of the lease term.

>> Casar: Right. So I'll be voting against the amendment because we'll ultimately be owners of that capital and the question is the risk of how much money it could cost us in a worst case scenario for that capital to be invested in our own facilities and I trust entirely in your ability to negotiate the best lease possible for the city. Thank you.

>> Mayor Adler: It's been moved and seconded to strike that provision. Those -- are you want to go

debate Ms. Gallo?

>> Gallo: I have one more question. Excuse me. If you could come back up. And once again, thank you for the good job you do at our airport. So was it ever part of the discussion process considering having the city do this work? And could you share a little bit of that conversation and why the city chose not to do this themselves rather than have a lease agreement that did still put the city at risk during a certain amount of time for the capital improvements and has no control over the management of that facility during that time. I guess one of my questions would be do we have the money to be able to do that as an option?

>> Well, first of all, I think we do have control. They have to operate the facility under our operating standards and requirements, which is a totally separate document where we specify how they have to run the terminal. In terms of why we chose prior to engaging in any discussions with anybody, we evaluated as airport staff do we want to run the terminal. As I've explained previously, we set this up in 2007 and operated it in 2008 and early part of 2009 when we had viva flying into the south terminal.

[12:13:52 PM]

Going on today in the airport industry business models for airlines change and there is risk involved. There's risk that some business models for competitive reasons are going to fail and airlines move away. That happens all the time because they can move their assets very easily. As much as allegiant wants to come into this terminal and help us, we know it's still a potential risk that allegiant could leave. So it was our assessment to mimic the model that we had in 2008 because at that time via aero bus after operating 18 months left because of the economy and the sars outbreak and variety of other things which were unforeseen at that particular time. So we looked at it as right now with the capital recovery provision, we are at risk for the first six years. The first three years for 100% and then it goes down and at the end of six years there's no capital recovery fee. And we think that that is a reasonable risk given as far as we think we can see into the future of the success of the airline business models. So highstar is accepting the risk for all the long-term what happens there. We share the risk up front while we test whether or not this terminal is going to be successful in the current business environment.

>> Mayor Adler: Okay. Mr. Zimmerman.

>> Zimmerman: One nor question, the email you referred to about this cap being in place that is correct has not come into our email box and I specifically phoned you yesterday evening about this issue. So -- I don't have that. And is it your testimony that the lease that doesn't exist or if it does exist we don't have, that you are asking us to vote on, does that lease have the cap in it? Is that your testimony?

>> The memo that went out to council, I didn't personally distribute the memo --

>> Zimmerman: It's not in the backup material for this public meeting.

[12:15:54 PM]

Are you aware of that? That's not in the backup material posted publicly. That's very important to me it's not in the backup material. If there is an email you are referring to, it's not in the public back Jerusalem material number one, and number two is it your ooms testimony as director that that cap is in or will be in the lease that we're voting on?

>> Yes, that's what we communicated in the memo, highstar has agreed to the 11 million dollar cap.

>> Zimmerman: Have you committed it will be in the lease? That's my question, not whether they agreed to it.

>> Mayor Adler: The answer was yes it will be in the lease and we're going to make that part of the motion as it gets voted on. Any further -- we have an amendment to strike the capital recovery section. It's been seconded. Those in favor please raise your hand. Those opposed? Everyone on the dais except

Mr. Zimmerman. That takes us to the main motion which I think has been moved and seconded with the understanding that the cap of \$11 million is part of the motion that will be incorporated into the lease as well. Any further discussion? Hearing none, those in favor raise your hand. Those opposed? With Mr. Zimmerman abstaining. Thank you. We'll move forward on that item.

>> Mr. Mayor, the other part of the understanding was that the -- that status and negotiations with the airlines at the main terminal would be reported back to us on an appropriate time frame.

>> Mayor Adler: And we would all like that. I mean I'm uncomfortable on the dais micromanaging departments and having contracts negotiated in this form because that's not really our place, but where it gets to us is when there are suggestions that people are not involved in the process or that's when the ear of the council gets heard. So anything you can do to -- to keep us abreast or let us know that those contract negotiations on I think will help keep this dais off your back and let you work.

[12:18:01 PM]

Thank you. All right. The next item that we have is item number 2 on our agenda. We have a resolution to adopt a maximum proposed property tax rate that the council will consider for fiscal year 2015 to 2016. This is one of the those items that is required of us by law so that the notices can be properly sent out to the community and be provided to the community. We have a resolution which is attached to the materials. That would allow us to adopt a maximum proposed tax rate that the council will consider for this fiscal year and we also have to set the date by which we will adopt a tax rate. You'll notice that there is a blank in the resolution that was provided as part of the backup. It is the past practice of this council and many other taxing entities at this stage of the process to put the community on notice as to what the highest tax rate is that would not require a -- a rollback election. That tax rate is \$46 -- actually 46 pennies and 9 hundredths, so 46.09 as the tax rate. I'll entertain a motion to approve adoption of item number 2. With that 46.09 in it.

>> Casar: So moved.

>> Mayor Adler: Mr. Casar makes that motion, seconded by Ms. Pool. The motion also sets the hearing on this issue at 9 A.M. On September 22, 2015.

[12:20:08 PM]

Any conversation?

>> Pool: What the effective rate without the additional revenues we saw certified yesterday?

>> Mayor Adler: Yes. The --

>> Pool: Or maybe Mr. Van eenoo could do that. Because that was some really good news and I just wanted to highlight it.

>> Mayor Adler: It was really good news.

>> I have the Numbers, mayor.

>> Mayor Adler: Yes.

>> With the certified tax roll the rollback rate is 46.09 sent per hundred dollars of taxable value. The tax rate required to balance the budget to support the amount of revenue in the proposed budget is 45.98 cents per hundred dollars of taxable value and the effective rate 42.95 cents per hundred dollars of taxable value.

>> Pool: Could you provide the three Numbers from last year for comparison? That would be great. Do you have the Numbers from the current fiscal year?

>> The only one I have memorized in the crept fiscal year is current tax rate of 48.09.

>> Pool: That means our rollback rate, the maximum, the two penniesish below what our current tax rate is.

>> That's correct.

>> Mayor Adler: I think it's worth noting that this is some evidence that we're in a position to be able to make growth pay for itself. And it not only enables us to lower the tax rate but puts us in the position to be able to lower taxes. Mr. Van eenoo, do you know the last time the city of Austin both lowered the tax rate as well as absolute taxes for the median homeowner?

>> We've had a couple years during my tenure with the city where the tax rate has gone down. We have not had a year, at least as far back as we've been tracking, where the tax bill has been lower from one fiscal year to the next.

[12:22:12 PM]

>> Mayor Adler: Do you have any idea how long it's been since the city of Austin has lowered taxes in an absolutely sense in this situation?

>> I don't have a definitive answer but at the earliest in the '90s where you might have had that occur and I'm not sure it even occurred then.

>> Mayor Adler: And I would point out that not only does it enable us to lower the tax rate and lower taxes, but the Numbers are also real encouraging with respect to available funds should this council want to fund programs or the safety net at a level for programs that are not being funded now, so it was encouraging. We have a motion to adopt the maximum tax rate. Is there further debate on this issue? Ms. Troxclair.

>> Troxclair: Mayor, I would like to make an amendment to the motion to set the maximum tax rate at the .5 -- 4598. Value which is the value that -- approximate revenue included in 2 proposed budget.

>> Zimmerman: I would like to second that motion.

>> Mayor Adler: It's been moved to reduce from 46.09 to -- say that again.

>> Troxclair: 4598.

>> Mayor Adler: 45.98.

>> Troxclair: Again, this is the tax rate that would get us to the same dollar amount in the current proposed budget.

>> Mayor Adler: Okay. Does everybody understand the motion? It's been moved and seconded by Mr. Zimmerman that the maximum tax rate would be reduced to 45.98. Ms. Kitchen.

>> Kitchen: I would just like to clarify for, you know, for the public that we're not setting the tax rate today. What we're setting is the maximum amount.

>> That's right.

>> Kitchen: And that the date upon which we will set the tax rate is --

>> Mayor Adler: September 22.

>> Kitchen: Which is after we have all the discussion about the various concept menu items, both the reductions and the potential for any kind of additional investments.

[12:24:21 PM]

So I just want people to understand and so I think that's important.

>> Mayor Adler: Okay. Further discussion on this issue? Ms. Troxclair.

>> Troxclair: I'll just say setting the tax rate at 46.09 has been proposed is the rollback rate so it's the absolute maximum we could go and although we're not setting the actual tax rate today, I think it would send an important message to the community we're taking affordability issue seriously and that we will commit to not reaching the absolute maximum tax rate.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Thank you, mayor. I want to concur with councilmember kitchen. It's correct, it's just a

maximum rate, but the reason this is so important in our discussions going forward is I want to see our council make a commitment that considering the budget the way it is now a lot of our constituents are complaining that we're already spending too much money. The increase that's in the manager's proposed budget is already too high. The tax increases that -- the tax levy increases, the 45.98 presents is already too high. So the intent is to set that. That is our upper limit. And so what we're saying is the proposed budget spends too much and we also think some of the priorities are misplaced. So we want to set a bench mark and say we commit that we absolutely will not go over what the proposed budget is, but we do have the opportunity to reallocate priorities and possibly cut it from there.

>> Mayor Adler: For the record, my debate on this would be that I'm just not comfortable at this point in time making any decisions or choices about the budget. I'm looking forward to a very robust debate on the dais about priorities, seeing programs we would cut, revenue things we would impact.

[12:26:22 PM]

At this point this early point in the process where we're just identifying parameters, I'm not comfortable making any -- any value choices at this time and I see this vote as being procedural and not the appropriate place for me to make those value judgments so I'm going to vote to do this the way that it's always -- I hate to say this out loud, the way it's been done in the past. Further debate on this? Ms. Kitchen.

>> Kitchen: And I would also concur. I would also say that -- that our concept menu, the items that have been put up so far shows a commitment by all the council to look seriously at the proposed budget items and it shows a commitment to both considering where we can save money as well as where we may need additional investments. So although I appreciate the sentiment and don't disagree with it, I think that I will not be able to support this because I would like to have the full conversation going forward and I think we have demonstrated a commitment from what we're doing with the concept menu and the items that we've put on the concept menu that there's for myself and perhaps for others, I'm sure for others there's a serious commitment to keeping our tax rate and tax bill as low as possible. Le.

>> Mayor Adler: We'll continue the conversation. We do have two members of the public that have signed up to speak. You want to hear from them now? Mr. Peña, are you still in the hall? I'm sorry? [Off mic]

>> Mayor Adler: All right, sir. Rex gore. Rex gore? Okay. We are now back up to the dais. Is there further conversation on the amendment, which is to change 46.09 to be 45.98?

[12:28:26 PM]

Ms. Gallo.

>> Gallo: Thank you. I think it's also important to note in the amendment that the 45.98 to fund the budget is a budget increase of 39 million over last year's budget. So, it -- I think -- I certainly know that I heard very clearly that the citizens in district 10 are very interested in us trying to control budgets and reduce the property taxes. I spoke at the Austin neighborhood council last night. And just out of curiosity, since we were getting ready to starting the budget conversation, took a straw vote and offered three options to the people that were there. One was to increase taxes, one to keep the tax bill -- let me say tax bill, because that's the part that you pay when you pay your taxes -- the same or reduce. 90% of the people there when I asked for a show of hands said they wanted their tax bills to go down. The remainder of the people wanted the bills to stay the same. Only one person wanted to see taxes go up. Once again, I think the message is very clear. I appreciate the amendment, because I think it says to the population that we are in a good economic position where we have been able to see growth, add added

value to this community, and it gives us the ability to continue to fund services that we feel are important. But I think we also need to listen very clearly to the population that is saying to us that everyone needs help with affordability, and this is the place the council can impact that.

>> Mayor Adler: Further discussion on the amendment? We'll take a vote. Those in favor of the amendment, please raise your hand. Those opposed? It is 8-3. With troxclair, Gallo, and Zimmerman voting in favor of the amendment. That gets us to the resolution at 46.09. If there's not further debate, I need the clerk to call the roll as required by statute on this vote.

[12:30:32 PM]

>> Mayor Adler.

>> Mayor Adler: Aye.

>> Mayor pro tem tovo.

>> Tovo: Aye.

>> Councilmember Houston.

>> Houston: Aye.

>> Councilmember Zimmerman.

>> Zimmerman: Nay.

>> Troxclair.

>> Troxclair: Nay.

>> Councilmember kitchen.

>> Aye.

>> The motion passes.

>> Mayor Adler: All right. It passes on that same 8-3 vote. We're now going to set the date for the council -- we did both of those in the same motion, I think. Nope. This is now setting the -- we adopted -- we have a resolution now to -- we also need to include the date the council will adopt the fiscal year property tax rate. That was part of this resolution. I think we already got both of them. They were two successive paragraphs. Do you need a second vote on that issue now? All right. Let's go ahead and take a second vote in case we need it. Is there a motion that we set consideration of the actual tax rate to September 22nd at 9:00 A.M. In the city council chambers, 301 west 2nd street?

>> Zimmerman: Mr. Mayor, I make that motion.

>> Mayor Adler: Ms. Gallo moved it, Mr. Casar seconded. Any further discussion on this? Ms. Houston.

>> Houston: My concern is always for public hearings that people who work can't get here. At 9:00 in the morning.

[12:32:32 PM]

So, I just want to make sure that we are aware that there are a lot of people who this may impact that will not be able to participate unless we go after 5:00 in the evening.

>> Mayor Adler: Okay. And as we move closer to that and see what happens in the public, if we're starting at 9:00 and set it that way, I don't know how many people would show up. We always have the option of keeping the discussion open and continuing the conversation later in the evening. And if there was a discussion to bifurcate the hearing or something like that, Ms. Houston, that might be something I would consider talking with you or others to do. But this lets us set that notice on that day, and will give us the greatest flexibility that day. Further discussion on this motion, setting the time and date? Mr. Zimmerman.

>> Zimmerman: Yes. Along with councilmember Houston's remarks, the second hearing on the 17th that was posted here at 4:00 P.M., is there any interest in bumping that up to after-work times, so they know

they can have time to come after work, and they know they can be heard, so? I would make that motion that we amend this to the September 17th time, would be moved to 5:30 P.M.

>> Mayor Adler: Let's hold off on that. We'll get to that. That's item number 3 on the agenda.

>> Zimmerman: I thought we were on item number 3.

>> Mayor Adler, no, second paragraph of resolution number 1 in case we need to pass that separately. Ms. Pool.

>> Pool: I have a question for clarification. The time that we're setting is the start time for the hearing. Historically, how long have these hearings gone?

>> Councilmembers, Lela for the law department. And the way that this works -- and I apologize for the awkwardness of it, but it's set up in the statute this way. Once you have adopted a rate that's above the effective rate, you then take a vote to set the date when you'll have your final hearing to adopt the final rate.

[12:34:35 PM]

And that's that September 22nd date. And you also -- after you've done that, will then set the two public hearings on the rate when anyone can come to speak, just like they're coming for the budget. And so the proposed times for those as you have said are the start times. And there's one in the morning and one in the afternoon. So, there will be two public hearings at which anyone can speak, one right now is proposed to be in the morning, and one proposed to start at 4:00. And then after you have closed those two hearings, you'll do the adoption on a separate date, because that's what's set out in the statute.

>> Mayor Adler: Okay. So to be clear, the first thing we're doing is not the public hearings. We're not talking about September 17th. We're not talking about September 10th. The action in front of us right now is to set the final -- the public hearing on setting the final vote on rate.

>> The final vote on the rate.

>> Mayor Adler: I heard Ms. Pool's question to be, historically, on those hearings, how long do they usually take?

>> The actual vote on the tax rate is usually fairly short because the public comment has been closed from the first two hearings. So, just like you're doing with the budget, but the two public hearings at which public comment are heard are those two other dates that you'll take as the next action item.

>> Mayor Adler: So on the 22nd, there's no public hearing taken?

>> There's not public comment taken, that's correct.

>> Mayor Adler: Okay. The public comment will be -- as we'll get to in a second -- on the 10th and on the 17th. And one of those hearings is set to start in the morning, and one is set to start in the late afternoon.

>> Yes, sir.

>> Mayor Adler: Okay.

>> And historically, they go for a number of hours?

>> As long as they are speakers. Sometimes it's short and sometimes it's long.

>> Pool: That's great. Thanks.

>> Mayor Adler: We are now back to the motion on September 22nd at 9:00 A.M.

[12:36:38 PM]

Any further conversation? Those in favor, please raise your hands. Those opposed? Passes unanimously. That now brings us to item number 3. By state law, since we adopted a proposed maximum tax rate that's above the effective rate, or the rate that would generate the same amount of revenue in fiscal year 2015 or 2016, as in the prior year from the properties taxed in both years, that of certain state-

mandated adjustments, we have to set two public hearings on the rate adopted for fiscal year 2015-2016. Staff recommends setting the hearings on September 10th at 9:00 A.M. Starting in the morning, and one on September 17th at 4:00 P.M. In the late afternoon here in city hall, 301 west 2nd street, Austin, Texas. I'll entertain a motion on this item number 3 to set those dates for the public hearing for the proposed tax rate for fiscal year 2015-2016. Mr. Renteria makes that motion. Is there a second to that motion? Ms. Pool. Any discussion on this item? Mr. Zimmerman.

>> Zimmerman: I'd like to change September 17th to 5:30 P.M. From 4:00 P.M.

>> Mayor Adler: Is there a second to the motion to go from 4:00 to 5:30 P.M.?

>> Houston: I'll second that for discussion.

>> Mayor Adler: Okay, it's been moved and seconded.

>> Houston: May I speak to that?

>> Mayor Adler: Yes.

>> Houston: The reason I'm doing that is because as we know, downtown is congested. To ask people to be here by 4:00 as the start time and having to sign up, that means they would probably have to leave work about 3:00. In order to arrive here. By getting here at 5:30, then by setting the time at 5:30, people have more of an opportunity to get here after work.

>> Mayor Adler: I wonder if some people might want to start a little bit earlier so they can get home to their children.

[12:38:44 PM]

And I wonder if we can accomplish both purposes by starting the hearing at 4:00, but agreeing that we will not close that hearing until 6:00 so that if anybody shows up or we finish at 4:15, we still won't close it. We'll come back into the chamber to make sure that anybody who couldn't be here at that time that wanted to speak has the ability to do that, and that way somebody who wanted to speak at 4:00 and get home would be able to do that.

>> Houston: That's great, as long as people understand that that remains an option, and we will not close it until people have had a chance to be heard.

>> Mayor Adler: I would support that.

>> Zimmerman: I could amend the motion to say that the September 17th hearing would not be closed prior to 6:30 P.M. Is that fair?

>> Mayor Adler: I'm fine with that. It's been -- is there any objection to changing the amendment? Is there an objection to him changing the amendment to say that it starts at 4:00, but just won't be closed any later than 6:30? Any objection to that amendment? Okay. Any earlier than 6:30. Okay. Is there any discussion on that amendment? Ms. Gallo.

>> Gallo: I think our signup process is really confusing for the public and us. And so I want to make sure that we understand, and the public has the opportunity to understand, what the signup process for that will be, because I want to make sure that the signup process does not get cut off when the meeting starts so that people that arrive late can still sign up to speak. So if someone could clarify that that's . . . ?

>> So, citizens would be able to sign up, up until the point that the clerk's office closes the agenda item. And we do not do that until you actually take the vote on the item. So we would not close the item and speaker signup until you took the vote on the motion to close the public hearing.

>> Gallo: Perfect. Thank you. So that basically says that people can arrive here after the meeting starts and still be able to sign up during the meeting until the meeting ends.

[12:40:50 PM]

>> Correct.

>> Gallo: Thank you.

>> Mayor Adler: As it is, incidentally, with everything we consider on the dais. Any further conversation on the amendment? Those in favor of the amendment, please raise your hand. Those opposed, it's unanimous. That gets us now to the item number 3. Is there a -- any further debate? Seeing none, those in favor, please raise your hand. Those opposed? That is also unanimous on the dais, and we are done now with item 3. We did that, okay, all right, good. That then gets us to item number 4 on our agenda. So, it is after 11:00. I think the intent at this point was to open the public hearing on the proposed budget, which is item number 6. So that's the next item that we're going to call up. It is 12:41. Does the council want to -- there are 54 speakers. Do we want to take a recess so that people can grab lunch and come back, or . . . ? At some point we're going to have to stop and eat lunch. How quickly do you think we could really get back here? Could we get back in 20 minutes, 25 minutes? People have been waiting.

>> Zimmerman: I would propose a time certain of 1:15 to resume. We have to be here at 1:15, not 1:30.

>> Mayor Adler: Is that good, councilmember troxclair?

>> Troxclair: Considering we had a break an hour and a half ago and knowing people have probably shown up at 11:00 and sat here for almost two hours trying to speak, my preference would be that we continue with the public hearing and step off the dais to get food when necessary.

[12:43:00 PM]

[Applause]

>> Mayor Adler: The tradeoff, of course, is that we'll have some people who have waited, and they're speaking, and they won't have the full council, because part of the council will be quickly grabbing lunch.

[Applause]

[Laughing]

>> Mayor Adler: In fact, you can pick which you want up here to start off with.

[Laughing]

>> Mayor Adler: And I would be fine doing that. We could get through ten of the speakers while we were here. I would probably vote for us to continue and to step off the dais with everybody understanding that council has the ability to hear the testimony, and will be hearing the testimony even if they're not at the dais. But it does mean that people will be speaking to less than a full dais. Ms. Kitchen.

>> Kitchen: I'm okay with that as long as we -- the speakers -- the system in the back, we can't hear. So that just -- we just need to talk to it to get that fixed, because I respect the fact that people have been here, but I really want to hear the testimony. So, I'm happy with going through -- you know, not breaking and going through so long as we get some of folks back there now to make sure that the sound is up, so.

>> Mayor Adler: Can't we pull, on that screen, the feed from the room here? The screen back there? I think we can. If we can get the tech folks to put that on the screen in the back so that it's up, and if anyone that I call does not want to speak at this point, and would like to be put further down on the agenda, I will accommodate that in case someone doesn't want to speak.

>> And, mayor, unless our citizens feel that it's socially unacceptable, we could also eat here.

>> Mayor Adler: Yes. I would invite council to do that. And anybody that wanted to bring their lunch back here, or their drinks back here, I'm suggesting that you can certainly do that.

[12:45:05 PM]

All right. I'm going to, then, call up item number 6, which is the public hearing. Council, everybody does need to eat lunch. Please make sure you do that, because this will go late. And we don't want anybody

fainting on the dais. I'm going to call speakers. If, when I call you, you would prefer to wait until the dais was full again, I will accommodate that. And I'd really like if somebody in my office could go get me lunch and bring it out here.

[Laughing]

>> Mayor Adler: We're going to again testimony -- begin testimony here with Jennifer Mcphail. Is Jennifer Mcphail here? Yes.

>> Thanks. I'm Jennifer Mcphail with adapt of Texas. We just wanted to speak to you today about the budget items before you that pertain to accessibility and are important to the disability community. One is the budget for sidewalk construction and maintenance that public works has set forward. There's approximately \$9 million before you in the budget, and we support that, even though it's slightly lower than previous years. But, one of the things that we're very concerned about in this particular situation is that the money runs out next year because we won't have bond funds available to you in the next fiscal year. So, what we need to do when we get this budget taken care of, and once we get it started and construction is going, we need to sit down and talk as a community and come up with ways to diversify the fiscal portfolio to make funds available to sidewalk construction, because they're just as important as roads. And I don't know if -- I hope that, like me, you've noticed that there have been way too many accidents that involve pedestrians and cars, and I really, really want to see that decreased.

[12:47:08 PM]

The only way we can do that is to have a sidewalk network that people can actually rely on that is affordable and vibrant, and is maintained. The other issue that I wanted to speak to you about is parks and recreation. There was a recent lawsuit settlement because there were many, many violations of the Ada in the park system. And as part of the resolution of that lawsuit, there's supposed to be \$10 million set aside for Ada improvements throughout the -- I mean, throughout the parks and rec department network of services, including butler trail for this fiscal year. There's not a line item that you can point to in the budget that says that, but it's part of the settlement itself, and I really wouldn't want you to reach the settlement right out of the gate. So I hope that you'll make sure that that's actually available for us so that we can get to work and make the park system truly accessible to people. I can tell you from personal experience that I've been caught on butler trail because certain parts of it weren't accessible, and I had to call 911 to be able to help me get unstuck. And that has a price tag as well. So, I hope you'll support it and make sure you have it available so people can get on with their lives and go outside and have a good time just like everybody else. The other thing is affordable housing. And two of the very important items that are before you, obviously, affordability is an issue. People with disabilities who live on fixed incomes have a very difficult time finding places to live because the median family income for a person who's on a fixed income --

[beeping]

>> With social security is about 15% of the median family income. So people are struggling to find a place to live. And just wrapping up, I'll just say that we also support the Austin tenants council's renter rights programs, and we want to see the continued partnership between them and the city of Austin.

[12:49:20 PM]

>> Mayor Adler: Thank you very much.

>> Thank you.

>> Mayor Adler: Thank you. The next speaker is Gus peña. Amelia zamora is on deck, the next speaker. In fact, if he wants to come down to the podium here, that would be great. Is Emilio zamora here? Is Paul robins here? Is Paul here? Is Christopher king here? You can go to that podium. Sir.

>> Thank you, Mr. Mayor, councilmembers, Gus peña, proud United States Marine Corps veteran, cofounder of veterans for progress. Funding for social services, increase the funding for social services. I'm going to say this, as a former federal investigator with the IRS, we would like to see the audit be better for -- the audit -- better audit for social service agencies to ensure that actual -- the funding is getting to the direct service -- to the people that need it. I -- I'm going to direct this that y'all, this is coming from a lot of disabled veterans and our organization. We -- and I mean no disrespect. I'm not going to defame anybody, slander or whatever, but we strongly object to the number of homeless people echo counted, 252 only homeless veterans? Come on, now. I don't have stupid written on my forehead. I've known homeless -- myself. The issue is, we need to do a better job of counting the homeless. Not just the homeless veterans, but the homeless people out there need shelter and services. We need more money for parks and recreation service for the children. We need more -- let's not kid ourselves. Come on, now. Have a true, blue, definition of affordable housing. That's not \$350,000 for a house.

[12:51:23 PM]

A one-bedroom unit, apartment unit for 750, 850, that's not affordable for the people. If the city is going to lend money in our name to give funding for these agencies that build housing, we need to ensure that they really build affordable housing. And we're talking about 450 to 550 one-bedroom, 550 to 650 for two bedrooms. Let's make it affordable. Another thing, a lot of apartment complexes are not accepting people that have backgrounds, that have bad credit. The voucher allocated to the military veterans or homeless is not enough money to pay for the rent that is high rent here in Austin, Travis county. So we need to do a better job of holding these people accountable. We had federal people coming in here, Mr. Adler. Y'all had a press conference regarding housing homeless veterans. We had HUD officials wanting to come here, VA officials wanted to come, yet, they did not notify us there was a poor press conference notification for the people that really wanted to see, true, blue people that attend that have direct impact on helping homeless veterans and homeless people. Pay raises, we support the position on pay raises for the employees. I used to be a city of Austin employee. I was making 1,019 a month as a bailiff, we were working our butts off at the courts.

[Beeping]

>> Anyway, do a better job of helping the people, and funding for more social service agencies. Hold them accountable. Thank you. Yes, sir.

>> Mayor Adler: Apologies that the press conference wasn't better publicized before it was held. There are going to be several more. I'll make sure that our office reaches out to you on those. To the degree that there are people that are not being counted by echo, if you could reach out to any of the homeless vets you see and suggest that they raise their hand and get ahold of eco or any of those services, now would be a real good time to do it, because we have a lot more landlords participating in the house heroes efforts, many of whom are working with the kind of requirements you just talked about.

[12:53:48 PM]

And during this program, are approaching those differently. With respect to backgrounds and things that would ordinarily be disqualifying elements. So, this would be a great time for you to help us get out to the community as loudly as we can.

>> Mr. Adler, I'm willing to do that if y'all are willing to notify us in a proper notification process and inclusive process. But I don't want an agency that claims to count only 262 homeless veterans to get that funding because the government accredited them for funding for homeless veterans. Let's do a better job of that, and better notification process. We're willing to work with y'all. I'm a veteran in my 60s, but

we have people, single women, single female veterans with children. You've read about it in the paper, they should not be in the streets. This is America, the city of Austin, a Progressive city. Ain't going to happen on my watch, and I hope not on y'all's. Our veterans are willing to work. Include us. Proper notification. Thank you, sir. Appreciate it very much.

>> Mayor Adler: I'm going to get back to you, Mr. Robins. I'll call you next. It will be this podium.

>> Good morning, mayor and council. It's good to be here. Chris king, I had a short presentation. I don't know if it's up there. I will speak anyway, I know time is short. Questions were raised, I think, at one of your recent sessions about the effectiveness of capital idea, which is a high skills training program in -- there we go. In Austin. What I want to tell you is, we have been doing an evaluation of this program now since 2006. Mainly funded by -- I'll move this that way. I've been doing these things nationally for about 43, 44 years. We've been doing the one for Travis county, the city and workforce solutions -- our local workforce board since 2006.

[12:55:49 PM]

We use a lot of different data sources. We look at a variety of measures. And I'm going to go quickly through this so I can get to the details. Capital idea does high-skills training in growth sectors. They really are a leading-edge nationally recognized training program. This evaluation, we've been looking at their early cohorts. We're still looking at the later ones. Part of the reason we did that is, we wanted to get a good, long sweep of time where we could actually see the outcomes. This kind of goes to the point. If you look at what they've done over the entire span of about eight years in which we've tracked those early cohorts, we're looking at roughly a 12 percentage point increase in quarterly employment to over 75%. About the same size increase in their quarterly earnings, and again, about a 12.3 percentage point increase in the share who now qualify for unemployment insurance. That is the picture I would hope to leave with you. This shows -- and we've matched the capital idea participants against -- very carefully against a comparison group of like individuals in terms of education, background, prior earnings -- the gap in their earnings, measured against participants and not participants, whether they had a job or not, we average those earnings. That gap at the end of eight years is about \$3,000 a quarter. That is huge. Again, particularly benchmarking. The other question is, well, what's the return on investment? So, often we see these impact Numbers, but we don't see them against the cost. Capital idea averages about 1.5 years in the program for a cost of almost \$6,500. Two-thirds of that is taxpayer-funded. They minimize the amount that people give up in the program by helping them work part-time while they're in training.

[12:57:50 PM]

These are the return Numbers. About 165% over ten years. Again, we've actually got data on that for about eight years. So we're projecting out a little bit further. If we projected out for 20 years, it's about 500% return on that investment, or if you like, a 9% annual return over ten years.

[Beeping]

>> And more than that for 20. So, just to wrap up, these are a good value. They're effective investments. It's an outstanding program. Not necessarily for everybody. These are for folks who are ready to take advantage of training. We do have other programs -- goodwill, skill point, and others, which deal with different populations and offer shorter term training, effective, but not punching the high-skills training. I'll stop there.

>> Mayor Adler: Thank you. I'm a big fan of capital idea, and had the opportunity to speak with Steven Jacobs. The conversations we've had, not only include the great work and the life-changing impact that it has on these folks, but the wish that -- I understand that last year, there were something like 70 or 80

folks that graduated through the program. We really need 700 people or 3,000 people.

[Applause]

>> Mayor Adler: Graduating from the program. And what I have asked officer Jacobs to take a look at, and I hope to be able to work with him with is, what is the strategy to be able to scale the program. And I think part of that is looking at what the cost per successful applicant is so that we can reach many more people to see what -- if there's anything to be done with the model, or anything so that we can actually reach a much larger group of people without just taking the funding stream and multiplying it by ten, or 50, which would be great, but something that we're never going to be able to do at the scale levels that we would like to get to.

[1:00:01 PM]

So, I'm looking forward to continuing those conversations with the organization.

>> That's great. That's an issue we'd be happy to work with them on. We've helped export the program in a two-generation strategy to Tulsa, Oklahoma, where we're offering a similar kind of strategy for the parents of early head start kids, moving two generations up at the same time.

>> Mayor Adler: I have no issue. I love the work and the outcome. It's the scalability question that lots of startups are also dealing with great ideas, but how do we reach a lot of people, because there are a lot of people that need the help. Thank you. Ms. Houston.

>> Houston: Mr. Mayor, I'd like a clarification on the process. Do we -- is it that we're going to ask questions of people who present, or are we going to just receive comments?

>> Mayor Adler: I think that councilmember -- I will restrain myself, but, this particular issue is one that I've been working on and couldn't help myself. But I promise to show greater discipline. Thank you very much.

>> Thank you.

>> Mayor Adler: Mr. Robins will be the speaker.

[Applause]

>> Mayor Adler: And then Alan freedman, is he here? Rabbi, you'll be next at the next dais.

>> Council, there is a proposal from the Texas Sierra club and others to add \$1.5 million to the weatherization budget next year. This would increase the average residential bill by \$4. And this might be a good thing if it saved any appreciable amount of energy. But a survey of this program showed a payback of 59 years. Besides the fact that the program saves almost no energy for the poor, there is the point that the money is already in Austin energy's budget to achieve Sierra club's goals if the money were spent well.

[1:02:07 PM]

Let me show you what I'm talking about. Here is a chart that's showing how weatherization costs have ballooned. The first bar is the basic weatherization cost for 2014. It's about \$1,500. The second bar is inflation-adjusted cost going back in time to about 1995. You could use either one and presume it's accurate. But the third one is the current cost. Note \$1,500 on the left bar, and \$3,800 on the right bar. And this is documented in three memos. The \$1,500 cost in this memo, the 2500 -- \$3,800 cost, and the proponent of the amendment admits that yes, whether weatherization costs are too high and need to come down. You have the utility and the supporter of the budget increase stating the cost is too high. If Austin energy were to use the current \$2.4 million budget and spend it well, it would be adequate to weatherize 941 to 1,550 homes. The low number is near historic highs. The high number is way in excess of historic highs. Back when the federal government funded this program, we're not getting federal money anymore. Council, instead of throwing money at problems, I am imploring you to allocate \$1

million in next year's budget to start pilot programs to assist people in the bottom half of income --

[1:04:24 PM]

[beeping]

>> That are more effective than free weatherization. There are some.

>> Mayor Adler: Thank you. Rabbi.

>> Good afternoon. I'm rabbi Alan Freidman, co-chair of the clergy advisory council of interfaith Austin. I want to thank you for the opportunity to testify before you this afternoon. And particularly thank those members of council who have already expressed support for our priorities during this budgeting process. I'm a rabbi. I'm not a policy person. I cannot tell you the number of police officers, firefighters, and ems personnel that are necessary to keep our city safe, or the equipment, support, and training that they will need. But I can tell you what while we are among the safest cities of our size in this country, we are also a city that trails our peer cities by millions of dollars in support of social services. In my world, there's a distinction often made between existence and living. Police, fire, and ems services are critical to a city's existence, but our goal should extend beyond have a city where people can safely exist. Our goal should be to have a city where people can live. There's more to vitality of a city than public safety. A city is alive when libraries are accessible to all and technology and options to provide intellectual life is there for all of its citizens. A city is alive when there's parks and other facilities for recreation and for people to gather and mold relationships. A city is alive when its children have school activities to go to after school hours, nurturing not only their minds and souls but also bringing peace of mind to their working parents.

[1:06:30 PM]

A city is alive when our opportunities like capital idea are available to all who are willing to work for it, and where no city worker, full or part-time, is denied a living wage. And how can we say that our city is truly alive when 24% of our children live below the poverty line, and the programs they need for the chance to escape that life may be denied adequate funding? There's more than one way to judge the quality of life, life in a city. We are Austin. We need not settle for a safe existence when we have every potential to be a city which is alive, where we can be the bright, shining city on the hill for all to see. As I said, I'm not a policy person. I cannot tell you exactly how to get there, but I can tell you that you as our elected leaders should keep your eyes on that prize. And with your help, and your guidance, I am confident that we can get there. Again, thank you for this opportunity to address you. I want to extend my thanks to all of you for your service to our community.

[Beeping]

[Applause]

>> Mayor Adler: Thank you. Is geronimo Rodriguez here? And is Ben inan here? No? What about John Alford? You'll speak at the next dais. Mr. Rodriguez.

>> Good afternoon, I'm here on behalf of family, the second-largest private employer in central Texas. I serve as the vice president of advocacy and external affairs, and have served as the past chair of the greater Austin hispanic chamber of commerce. I'm here to speak on the budget in support of capital idea.

[1:08:33 PM]

We believe in promoting an economy of inclusion, and believe that human development is economic development. Seaton and together with St. David's were the founding anchor employers and helped

design the capital idea strategy with Austin interfaith in the late 1990s. As you know, capital idea has around 6 to 800 participants a year. Together, we have hired over 300 graduates, and about 178 at Seaton, another 122 at St. David's. At any one time, Seaton employs about 50 capital idea healthcare students part-time while they're studying, and this provides income while they study. It also provides resume-strengthening work experience in the industry to enhance their employability at graduation. Seaton and St. David's have invested \$5,000 per nurse to help leverage the city's investment. The fee has provided over \$360,000 back to capital idea since 2004, helping adults who may have been patients of the two healthcare systems become employees. And more importantly, citizens helping others in their community. And finally, investing in human beings moving from a job or underemployment to a career is another opportunity for the council to address affordable and long-term employment issues in the community. And I urge your consideration. Thank you, mayor.

[Applause]

>> Mayor Adler: Okay. Is Roger Davis here? You'll be at the next podium. Sir.

>> Good morning, mayor Adler, city council members who are here. Senior pastor of a Methodist church, and a member of Austin interfaith.

[1:10:36 PM]

I'm grateful to have an opportunity to speak to you about the proposed city budget. One of the previous speakers, Ben, was with Samsung, and he had to go back to work. He was going to speak about support for capital idea. I just wanted you to note that. On behalf of Austin interfaith, I want to thank Mayor Pro Tem Tovo, council members Garza, Casar, Kitchen, and Pool for already committing to champion our budget priorities, including primetime after school programs, parent support specialists, capital idea job training, and inclusive living wage increase, parks funding, and so much more. These programs are critical to lifting children and families out of poverty. However, I'd hate for us to miss the forest for the trees. We're not here as Austin interfaith simply to talk about programs. We're here to urge the city toward an economy that includes everyone. It's become something of a commonplace to say that city or state budget is a moral document. And the point of saying this language that you've heard before that first came from religious communities is that a fundamental priority of our city budget ought to be the protection of whom -- those whom God is most concerned about. The care of those who do not have lobbyists to speak for them, who do not have a voice in the allocation of the city's resources. This is why we are urging the city today to make new investments in resources that will lift children and families out of poverty. You're also hearing from us, I hope, that we are broadening the definition of safety and public welfare. Safety in our cities is critically dependent on our police department, but safety is so much more than that. Families who live in their cars, young people who live out on the streets, those who are working for minimum wage and who are a paycheck away from homelessness, the elderly on fixed incomes who struggle to pay their utility bills -- there's nothing safe about any of those situations.

[1:12:45 PM]

And yet our budget right now does not really reflect a serious concern for those critical needs. Every Saturday morning in my church, a crew of 40 to 50 volunteers serves a great brunch to 200 to 250 guests who are struggling on the margins, bouncing in and out of homelessness. We also provide clothing and other services. If you haven't volunteered with us, this is my official invitation to all of you to join us on Saturday morning. This is a side of Austin that we don't show to the rest of the world. These are the invisible people who are everywhere.

[Beeping]

>> They're the ones I and my colleagues -- can I borrow just a moment of time from Ben? Thank you.

These are the ones whom I and my colleagues at Austin interfaith are speaking for today. And so I hope you hear that although we're speaking from our religious traditions, we're really talking about human values, about creating a more humane community where everyone benefits from this treasure that we call Austin. I hope you'll give our Austin interfaith budget priorities serious consideration as you prepare the city budget. Thank you.

>> Mayor Adler: Thank you, sir.

[Applause]

>> Mayor Adler: Thank you. Isabel Lopez. You'll be at the next dais. Sir.

>> Mayor and councilmembers, my name is Roger Davis. I'm an Austin -- I love Austin, a board member with the capital -- I'm in the greater Austin black chamber, and I'm here in support of the budget as it is. Excluding some amendments that have been proposed that I think that hurt the great effort that the Austin chamber, the greater Austin black chamber, the Hispanic chamber, the Asian chamber, and the gay and lesbian chamber that have been working in concert to support this great city's effort.

[1:14:59 PM]

I think Austin has -- I think, a great record in building a great record, and showing that it's a welcoming city, it's a growing city, and it's a city that wants to include all the citizens, no matter what their culture is. I can see that from how -- specifically how the greater Austin and black chamber has fulfilled many contract requirements that have been -- that have come from this leadership, from the council, in making sure that Austin not only locally, but nationally and globally grows in a way that is -- that I think the whole community is proud of. So I'm just here -- I have many examples of how the chambers work together in doing things. You know. And I think the current model that is there is one that is in great support of -- and wants to work in concert with -- this great council to make sure that all peoples are recommended -- I mean, that have great opportunity to take advantage of, I think, the many growing jobs that are coming here. And I just want to let you know that I am in support of the budget without the amendments that have been mentioned in 2.1, 2.10, and 2.14, because we want to continue in the great efforts that have already been done. And we look forward to a very stimulating conversation on how it can even be done even greater going forward.

[1:16:59 PM]

And thank you for this time to speak on their behalf. And I don't know if you want to entertain questions or examples are needed, but I think the council is fully aware of all the great work that's being done.

[Beeping]

>> Mayor Adler: Thank you very much.

>> Zimmerman: Mayor. I did make those amendments to strike funding for the chamber of commerce. I'm going to give you one example why. They promoted the idea of subsidizing the richest corporation in the history of the world, Apple Computer. That makes my head explode. For a city that says it's Progressive, for the small business, the disadvantaged guy, providing subsidies for the richest corporation is beyond belief. For that one reason alone, my constituents support abolishing any organization that would do something so egregious.

>> Thank you for that comment. And it looks -- it's something that definitely needs more discussion. What were the deliverables that were expected, and is that contract to its end? Because, at the end of the day, have they come and what deliverables have they given? Because I wasn't there, and I didn't give it away. But I surely would love to see what contracts, what deliverables, and what results have been shown. Because we definitely want -- when you see great companies like that come to this area, we want both sides to benefit.

>> Mayor Adler: Thank you. Is Francis acuena here? You'll be the next speaker at that dais.

>> Hello, good morning, mayor, city councilmembers. My name is Isabel Lopez. And I'm here in my capacity as a commissioner for the hispanic quality of life commission. I would like to thank the staff for their support in our work as we presented our budget.

[1:19:02 PM]

I want to thank personally, also, our councilmembers that are supportive of our initiative, councilmember Garza, Renteria, and Casar, for pushing our items forward. I'm here to ask you for your support for recommendations. We've been meeting with some of you, or your staff members, and I know -- that there was a conversation about priorities, and in my mind, there should not be a single priority. I'm coming here from the spirit of abundance. We have a city budget that is \$3.5 billion. The Latino community is almost 40% of the population, and we're pushing for \$5 million. We have different initiatives on health, education, economic development, and as many of you know, I'm very passionate about youth and the economic development of our city. So, the recommendations that I propose are to include programs -- internship programs for youth in our city, developing a program that the Mexican American culture center for our youth to be trained and to be paid while they're doing their internship during that time so that we can create more professionals and have an economic future. Because if we're not investing in our youth, we're not investing in our economic development. I also proposed the hispanic Latino economic corporation to support our nonprofits, coops, and small businesses. To start and expand the economic power of our community. And as I said, I'm just asking for your support for our entire budget recommendations today. Thank you.

>> Mayor Adler: Thank you.

[1:21:04 PM]

Is Jill Ramirez here? You'll be at the next podium. Ma'am.

>> Hi, my name is Francis Acuna, I'm a community health worker, I've been an advocate for 20 years, more or less. And I'm going to read Cynthia's letter to you. "Honorable city of Austin mayor and city councilmembers, I'm currently a Travis county commissioner's court appointee to the Travis county healthcare district board of managers. Today I'm speaking as a longtime advocate for Latino community -- for the Latino population with decades of service and involvement in our Austin community, and as one of -- that has followed closely deliberations of the city Latino hispanic quality of life initiative for the past eight years. For those of you that are new to the city council, central health consists of nine appointees to the board of managers. Four appointed to the city council, and four appointed to the Travis county commissioner's court, with a final appointee being a joint appointment. Central health is a taxing jurisdiction created to provide access to healthcare of our most vulnerable population, for the indigent, the uninsured, and our working poor. As we also currently are in budget deliberations, it is with great respect that I offer the following recommendations. One, first, and foremost, I am here wholeheartedly supporting the entire budget recommendation of the latino-hispanic quality of life commission.

[1:23:13 PM]

Included in our current central health budget are various healthcare initiatives to provide quality healthcare service delivery systems, including a medical school and teaching hospital. But it is not focused on those public health issues that most -- that must be tackled by the city of Austin health and human service department. These are issues that relate to accessibility, community-based health

services, and chronic disease prevention of our general Austin population, with specific consideration of current and changing demographics and the need to provide culturally competent strategies by staff reflective to our Austin population. Included in the submitted concepts are a total amount of 1.8 million for the Latino chronic health initiative --

[beeping]

>> To be --

>> Mayor Adler: You can finish your thought.

>> To be delivered thoroughly -- I mean, through the city health and human services department. It is similar to the African-American chronic health initiative currently funded for 800,000 by health and human services. It is important to note that there is a recent proposal to address nontraditional health disparities, however, consideration must be paid to impact the top Latino and health disparities in terms of volumes and Numbers, for example, asthma, tb, cervical cancer, liver disease, obesity, diabetes, and depression.

>> Mayor Adler: Okay. Thank you.

>> Thank you. And I just wanted to say that personally, I support this recommendation, because without this, my son wouldn't be able to get the cancer treatment that he is.

[1:25:20 PM]

Thank you.

>> Mayor Adler: Thank you, ma'am. Is Cynthia Valdez here? Oh. David king, you'll be up next at this podium. Ms. Ramirez.

>> Okay. Good afternoon, honorable mayor Adler and distinguished city councilmembers. My name is Jill Ramirez, and I'm here at the chair of the his of the quality of life commission. I want to thank you for all of the hard work you all do on behalf of our community. I know that being here for the last week, trying to work on this recommendations, I've seen that you all are here day in and day out. And I really don't know how you all do it, but it is greatly appreciated. Second, I want to thank you for addressing two of the recommendations that were initially in our recommendations. For the mac, when you declared that designated as parkland, that was one of our recommendations. Also, money for the master plan, if there is some funding, the developer may contribute, might go to the master plan. So we appreciate it. I can -- tell you there's a lot of people in the Latino community who can now exhale a sigh of relief. I'm also here to urge you to support all of the Latino quality of life recommendations. In the handout we just gave you, you can see that our budget is a very modest budget. In fact, seven items such as the mexican-american cultural corridor, funding for ACA and the rundberg project are only one-time funding. So that means that it would not be a recurring budget item for the next few years. If you look at the history of the Latino quality of life recommendation over the years, we have only gotten funding a -- a handful of funding, two or three items over the last few years.

[1:27:34 PM]

We need a lot of services, and with the new council makeup, I think you can help us do that. We are very pleased to know that one of our recommendations is being explored under the office of equity. We envision this office as a full department with oversight over equitable funding, as well as staff allocation. We are troubled that -- to see almost nonexistent Numbers for Latinos and Latina women in high-level positions that have power-making -- they can make power-making decisions. I'd like to end with you, letting you -- why you should support our recommendations. And that's also in the packet I just gave you. Latinos are the largest and fastest-growing population in the country in the city of Austin. We're pushing 40% of the population. It's very important to address the challenges they face now, because

later on they will become more costly.

[Beeping]

>> One last thing I would like to say is that I support the chambers of commerce. I think that they do a great job in the community, and I hope that you are able to sit down with and make some concession about that.

>> Mayor Adler: Thank you.

>> Thank you.

>> Mayor Adler: Thank you. David king. Is Patricia Hayes here? You'll be at the next dais. Mr. King.

>> Thank you mayor, mayor pro tem, councilmembers. My name is David king, I live in the zilker neighborhood. Austin is the most economically segregated city in the U.S. Low and middle income families have been forced into the suburbs, and many have been disproportionately impacted by inequity and poverty. I fear that we're losing the economic cultural and racial diversity that makes Austin a great city. A key in our comprehensive plan is prosperity for all, not just a few. The budget is the most important strategy to achieve our goals.

[1:29:37 PM]

Consider the following suggestions to help achieve our goals for prosperity and diversity. Enact a \$15 minimum wage for city employees, contractors, and subcontractors. Provide healthcare and retirement benefits for part-time city employees. Fund a 3% increase for city employees. Increase funding for healthcare and healthy food for those in our community who have been impacted by poverty. Increase funding for cultural and educational facilities and after school programs for hispanic, African-American, and Asian communities. Increase funding for economic development and job training initiatives in east Austin. Provide \$1 million for rental assistance to low and moderate income families. Increase the affordable housing requirements for all density bonus programs and planned unit developments and require that housing to be on-site. Increase funding to identify and address substandard and dangerous multifamily rental properties in the city. Provide \$5 million to help families remodel and remain in their homes. Increase funding to help low and moderate income families pay their utility bills. Provide free transportation vouchers for families, many of whom have been pushed out to the suburbs and have to drive back into the city to work. Require growth to pay for itself by increasing transportation impact fees, parkland dedication fees, permitting and development fees, sidewalk and drainage fees. Eliminate funding for economic incentives for large corporation. Eliminate special discount electric rates for large-volume customers. Increase funding for parks and libraries. Reduce or eliminate fees for parks for low-income families. Eliminate fee waivers for right of ways. Rebalances funding for public safety services. Austin spends a significantly high proportion of its budget for public safety. Increase the 6% homestead exemption for families. Thank you very much.

[Applause]

>> Mayor Adler: Thank you.

[1:31:39 PM]

Is Richard Joan here? You'll be next. Ms. Hayes.

>> Good afternoon. Mayor, city councilmembers, my name is Patricia Hayes, chair elect of the greater Austin black chamber of commerce. My regrets for our CEO, who is on a previously scheduled travel, otherwise she would certainly be here currently today. Thank you for the opportunity to speak here today before you regarding today's budget discussions. What I would like to say very quickly is that with our small staff and dedicated volunteers, the greater Austin black chamber of commerce is proud to be engaged in the community, supportive of strategic partnerships with other stakeholders, and creating

economic development opportunities for its members, and fostering and engaging with the community. We are very active in educational outreach and to elementary, secondary, and higher education levels from providing business models and speakers in the classroom to serving on panels such as connecting with your local chamber, path ways to entrepreneurship. A recent session at the mill student leadership summit hosted at UT. The jabc is actively serving as a community partner in the first central Texas college signing day, where over 400 first-generation and at-risk high school students celebrated their admissions to college. We established collegiate chapters from providing scholarship, and serve on the board as an example of a few things. In supporting strategic partnerships with limited resources, we are very sensitive to duplicated efforts unnecessarily, and we work to minimize those things by working collaboratively with the other chambers, with other partners, and stakeholders in the area. We are actively engaged in multiethnic efforts such as career forums, with the greater Austin chamber. We work collaboratively on educational and workforce development initiatives.

[1:33:40 PM]

And finally in creating learning opportunities and recognition, the chamber has hosted annually the state of black business and state of education forums recently, as well as our annual small business awards program where we recognize the supporters of African-American businesses in our community. We're fostering important networking opportunities such as our black technology council, which has grown tremendously in recent years, and provides an opportunity for local techies to get together to learn more about opportunities, to network, and to engage. An important partnership that we're very proud of for 2014 and moving forward has been with south by southwest interactive, we hosted the first black tech community meet-up. We also hosted booths with their south by southwest Edu. Also, one of our great properties that we're proud of is the shark tank private casting event hosted by the black chamber, providing opportunities for diverse entrepreneurs and our little junior entrepreneur, who made it to shark tank.

[Beeping]

>> And is now going to be featured in the next issue of O magazine. We thank you for the opportunity to share and to let you see when

--what we hope to continue to do on behalf of the black chamber here in Austin.

>> Mayor Adler: Thank you very much.

[Applause]

>> Mayor Adler: Is marina bargava here? Marina? Yes. Mr. Jones.

>> Good afternoon, now, city councilmembers, mayor. I appreciate the opportunity to speak before you today. First, actually, I'd like to find out if we can have a more pleasant-sounding time buzzer. That's just really harsh.

[Laughing]

>> Second, I want to commend this council and previous councils on acknowledging that the city of Austin has as a goal to encourage diversity and to support small business' growth and development to try and spread the wealth in the city and to try and ensure that everyone has an opportunity at success.

[1:35:58 PM]

Given these goals, I'm here to speak against measures 2.1, 2.14. I'm not sure if I have all these Numbers right, but the measures to remove funding for the chambers from the economic development department to eliminate Austin energy, and to cut chapter 380 corporate subsidies. 2.1, I think. And I wanted to speak briefly about the impact that these cuts would have on what you'll hear -- we've already heard some about what the different minority chambers do. But I think this is a case -- with

councilmember Zimmerman speaking on the apple issue -- of throwing the baby out with the bath water. I can certainly appreciate a concern that we don't give away subsidies unnecessarily, but the impact of these kinds of cuts would be to, in fact, limit representation and speaking voice to the city council. The chambers, particularly the minority chambers, represent an avenue for particularly small minority businesses to address this body and to express their concerns, and to learn about different programs that underrepresented groups can hopefully extend themselves and succeed in the arena of business. I think to cut off these kinds of funding would really dramatically reduce that kind of access to city council, and to the advantages that many other groups already enjoy. I also wanted to talk a little bit about, you know, the fact that as the different chambers are here, businesses have an opportunity to address the city council. And I hope -- and I'm -- let me take a step back.

[1:37:58 PM]

My concern initially as expressed to you was, you know, not to cut off represent -- Ave. Avenues of representation and communication with the governing body of this city. And I'd like to say that the kind of measures where we're cutting the budget, you know, in radical ways --
[beeping]

>> The chambers have an avenue to address that. Many other groups don't, and I hope that you will be mindful as you cut that there may be groups of people who don't have the access to come up here and address you, that you be their representatives and ensure that they're not cut needlessly as a way to express your disfavor with certain policies. Thank you.

>> Mayor Adler: Thank you. Is Sanjay lih here? You'll be at the next podium.

>> Good afternoon, mayor Adler, councilmember -- city councilmembers. I'm marina, executive director of the greater Austin Asian chamber of commerce. It seems like it was just a few days ago that I was before you on another issue. On that day, I began by thanking you for your support of our chamber and the other minority chambers, and the main chamber. I want to repeat that thanks, because I think that after you give proper consideration to amendments 2.1, 2.10, and 2.14 that you'll make the right decision and oppose them. I would like to share with you what our small chamber has done in the last 12 months on behalf of the city agreement. We've hosted 17 meetings with guests from Asia, four international events for small businesses to learn about doing business in India, China, Japan. We hosted a reception during -- for all the Asian startups that came here for south by in March. We had four partner events with the multiethnic chambers, one Korea expo, a panel discussion on funding for creative entrepreneurs, another panel on how merchants' associations can revitalize business districts, an import-export class.

[1:40:11 PM]

We hosted a forum on the music industry, and another on doing business in Asia, and the impact of the transpacific partnership agreement. We had five networking mixers with panels on film, food, funding, and the healthcare industries. Last night, we missed our meeting with the network of asian-american organizations, which councilmember pool attended. We had four minority business certification workshops and roundtables, and hosted four small business marketing workshops. That's a total of 40 events that 900 people attended. In addition, we host remember when events where we share information about resources such as the family business loan program. We share regulations like the universal recycling ordinance with the community. And we have a women's business club to build the capacity of asian-american businesswomen. We do trainings that help businesses and our youth improve their Asian cultural competency, and we host events such as the golf tournament where people can connect and build relationships. And we're able to do that because of the funding that we receive

from you that allows us to have two full-time and one part-time staff. We're a small organization. But having that staff allows us to leverage all of the hundreds of hours of volunteers -- volunteer time that you would not be able to access had we not had staff. When I meet with my counterparts from other parts of the country, they are envious that we have city leadership that supports its minority business community.

[Beeping]

>> So I just want to urge you to think about what you've already done and built, and not, like Richard said, throw the baby out with the bath water. We can grow apples just as well as we can grow Oranges, so please oppose the amendments.

[1:42:11 PM]

Thank you.

>> Mayor Adler: Thank you. Is Daniel hedges here? Is Paul Kim -- you'll be at this dais. Sir.

>> Good afternoon, Mr. Mayor, members of the council. My name is Sanjay, an attorney here in Austin, and I'm also, I believe, the youngest board member on the greater Austin Asian chamber of commerce. I'm in favor of keeping the budget as it is, as many of my colleagues have already mentioned. Let me bring up a couple of angles. For me as a young professional here in Austin, I went to UT Austin in undergrad, moved away for grad school and recently came back. To get reacquainted with the city, it is something the chamber has been successful at. For those of you who may not be as familiar with the various chambers, it's easy to confuse them with other social groups around Austin that are more based on networking and fun. I'm not saying we don't have fun, but, there are groups that are predominantly focused on that, whereas the chamber focuses on connecting business and young professionals, and creating an -- creating an atmosphere where young professionals such as myself and small businesses can survive. To that point, one of the things that mayor Adler, we actually had a lunch with the -- put on by the Austin chamber and the Asian chamber when the Korean ambassador to the U.S. Came to Austin. And he made mention of the Samsung investment, which was in the tune of about \$16 billion, which I believe represents the single-largest foreign direct investment in the United States. Now, that is a different type of business, obviously, where maybe regular, small and mid-size businesses may think that it doesn't involve them. But, in fact, for subcontractors, for those type of companies to invest in a city like Austin, they need to feel like there is support for those people when they move to a new country.

[1:44:17 PM]

And I believe that is one of the many things that the Asian and hispanic chambers are able to do, is provide an atmosphere for businesses to look at Austin as a viable location to move their businesses, which will also help local businesses with the other services that they need. Councilmember Zimmerman, I completely understand if that notion of supporting a giant company like apple seems ridiculous. I would tend to agree with you. I would challenge you only in the respect that that is not respectful of the chamber's position. And I would agree that giving subsidies to the wealthiest corporations out there does not make much sense. But I would urge you to look at the other services that the chamber does present, and does help young professionals, small businesses, and mid-size businesses. I would dare to say if a child were to be cut off by their parents just because they had a bad idea at some point, most of us would never have made it through college. So in that sense, I wasn't there when the apple decision or recommendation was made, but I would say that the chamber provides a lot more than that. And I understand you have to report back to your constituents, and present it in that light.

[Beeping]

>> I would understand your frustration, but I would urge you to consider all that the chamber does for various businesses and professionals around Austin.

>> Mayor Adler: Thank you. Is Mike --

>> Zimmerman: Quickly, my constituents appreciate a lot of what the chamber does. They simply do not want to be forced to pay for it. Isn't that simple? Appreciate the chamber, don't want to be forced to pay for it.

>> Mayor Adler: Is Mike Rollins here? You'll be next.

>> Good afternoon, mayor, and members of the council. Thank you for this opportunity to speak in front of you again. My idea, before I became the chair of the Asian chamber, the picture that conjured in my head was these big fat cats sitting around tables, sipping scotch, and smoking cigars.

[1:46:29 PM]

But I assure you, that is not the case. For instance, the things that we are involved in, the things we are engaged in on behalf of our membership, and also for the economic development cause for the city of Austin, is a daunting task. We are short-staffed. Underfunded. I really had no idea what I was getting into when I decided to be -- agreed to be chair of the board of Asian chamber here in Austin. The pure amount of work that our staff has to go through on a daily basis is just -- it's monumental. Instead of the picture that this cigar-smoking, scotch-sipping big cats, now my picture in my head is this single mom who wants to have a flexible hours, wants to start up a real estate business, coming to our office asking for help. This poor mom and pop business owners, with their negative comments on the internet post, what do we do? There is another lady that came to our office not too long ago because her location of her business on Google map is taking people to the wrong place. What do we do? You know, those are the kind of things that we do on behalf of small people. You know, what we are so proud that Austin is. We are for the small people. We are for the unrepresented. So, in that spirit, we are doing our job in conjunction with the efforts helping the city with economic development efforts. Sanjay has mentioned Samsung. You know, we forget in good times what it was like yesterday. It was not too long ago I was in this council listening to debates about job creation, economic development.

[1:48:35 PM]

If things were bad during economic downturn, you know. Samsung, semiconductor, it was the biggest foreign direct investment in the history of the U.S. They were creating job. They were hiring people when other people were laying people off, downsizing, they were expanding. They were hiring people. I was a benefactor of that, too, as a vendor. I was working. I was busy during the downturn. And during that downturn, I think Austin really shined through as a city --

[beeping]

>> That embraces the future growth, and also economic diversity. In that spirit, I urge you to continue your support for the chamber and the economic development efforts for the city. Thank you very much.

>> Mayor Adler: Thank you. Is Jeremy martin here? You'll be next. Mr. Rollins.

>> Mayor Adler, members of city council, thank you for afford me the opportunity to speak to you briefly this afternoon. I am Mike Rollins, president of the greater Austin chamber of commerce. I come before you today to ask you not to support three specific amendments to the budget, 2.1, 2.10, and 2.14. You've heard several comments around 2.10 and so I'll speak primarily to 2.1 and 2.14, if you will. Breaking agreements is never good business. And that is what's being proposed under 2.1. As we all know, these agreements included metrics, performance, in that you could not earn your performance incentive unless you met your metrics. And that is creating thousands of middle-class jobs here for

austinities, with millions of dollars in new payroll. That's just the direct benefit that happened. It doesn't count the indirect spending that these employees with millions of dollars in payroll are able to happen.

[1:50:35 PM]

In fact, I think we all probably remember back in 2008, the citizens of Austin were asked to vote at the ballot box, should Austin keep its word. And the vote turned out to, yes, citizens believed in keeping Austin's word, as you do in your each and every day life, you'll keep your word, what you promise. The other piece that I'll end on on 2.10 is this. We all read at the first of the year a poll that was done by zandan that went out to the public and asked what the public supported. And it came back at 71% of austinities supported programs that attract companies that provide jobs and job training for middle class. So, this is all related to us in keeping Austin's word, which we've already talked to the voters about. I want to go quickly to 2.10 -- excuse me, 2.14. And that's the elimination of -- I will call it transfers from the utilities to the economic development department for the city of Austin. I know that recently, I believe it was unanimous, the city council instructed a cost of service study so that we can understand why electricity and others is costing the citizens what it is today. Are we assessing the fair amounts for our different levels of energy users. So, it makes no sense to get out ahead of what that cost-of-service study will reveal in about a year from now. I would suggest that the attention might be a little bit different focused. I understand the intent of it. There's about a 2.3 billion -- not million, billion -- savings for Austin citizens and taxpayers that could be looked at first from Austin energy. There was a commitment made over 20 years to provide bio-mass plant that as I understand it, sits idle.

[1:52:39 PM]

[Beeping]

>> In all practical purposes today. That's over a hundred million dollars a year that we as ratepayers pay for something that doesn't have performance metrics today. So is, thank you for your time and your attention.

>> Mayor Adler: Thank you.

>> Mayor, can I make a quick comment?

>> Mayor Adler: Yes.

>> I -- because there has been so much testimony focused on this, I just wanted to mention that my intention as far as doing away with the transfers from our utilities to our economic development department was not necessarily a statement about our economic development department or the funding. It was more an effort to be more transparent about where money is going. There is nothing stopping the city council from funding that department through the general fund. And I just have heard pretty overwhelmingly from my district is that when they go to pay their electric or water bills, they expected that money to go to electricity and to water. So, I just wanted to make that clear that this wasn't actually enacting or approving -- my amendment wouldn't necessarily -- would not preclude the city council from keeping the funding level the same within the economic development department. It's just a matter of being honest about where we're getting the money from and what we're using it for, so.

>> Mayor Adler: Okay. Thank you. Yes, Ms. Gallo.

>> Gallo: You know, I want to say the same thing there. I think that one of the things that we've heard is that people really want the city to be more transparent in their spending and their funding, and that the spending and funding should come from the appropriate departments for that spending and funding. So, I think that was the intention in trying to make all of these transfers more connected to actually the department and the type of funding that those expenses are for. So it's not to say that we're talking about taking away funding, we're just saying let's get it in a department that's appropriate rather than

the lack of transparency when it's buried in another entity that may not be the appropriate department for it to be tied to.

[1:54:50 PM]

>> Mayor Adler: Okay. Thank you. Just to check here, is Mark Madrid here? You'll be next. Yes?

[Off mic]

>> Mayor Adler: Okay. Then we'll call you next, then. Mark. I'm going to call the person we skipped over first. Please go ahead.

>> Thank you, mayor. Honorable mayor Adler, often city council member, I am Jeremy Martin from the Austin chamber of commerce, in support of the proposed budget for economic development and against those specific amendments that would harm our efforts to create good jobs and economic stability. Over the years, many of you have been involved in crafting our economic development policy. Many citizens and community leaders have given their time to have their imprint on that policy. That policy has been amended, but its underlying priorities have remained the same, for a strong, resilient economy, we need to diversify industries, strengthen local businesses, and invest in cultural vitality. The policy has been recognized for outcomes while ensuring transparency, accountability, and protections to taxpayers. The city's agreements with local chambers of commerce ensure that this work is performed. We stand before you today along with our sister chambers as a testimony to the accomplishments and ongoing role that we play. Developing our workforce, connecting friends and neighbors to good jobs, and helping entrepreneurs create local businesses are the work of your local chambers of commerce. Cutting funds for the city's active economic development agreements or eliminating the partnerships with local chambers, or cutting funding for our city's economic development department is not the right direction. Please maintain the recommended funding provided in the budget for economic development. These funds will help achieve your goals of equity and opportunity with good jobs to achieve a strong, stable, local economy. Thank you for your time.

[1:56:50 PM]

>> Mayor Adler: Thank you. Any comments? Thank you very much. Hodges, you want to go ahead, and then Mr. Madrid, you'll be at the next podium.

>> I'm the market president for Regions Bank here in Austin. We are in Travis County, and Williamson County. We're involved with virtually every chamber of commerce in our community. And we became a part of the Austin Asian chamber last year. And I'm here to let you know how strongly we support that. The benefit that I see as a market president to what the Austin Asian chamber is doing in this community, and I ask that you look at the long-term benefit that it can do for the diversity it brings, or the small businesses that are growing into larger businesses, for the jobs it creates. And I have not been involved in a chamber that is more business-oriented than this one. So, I want you to know that we strongly support it. And I ask the mayor and the city council to continue supporting it, because I think it's a very worthy cause. Thank you.

>> Mayor Adler: Thank you. Is Danny Lawry here? You'll be next at this dais.

>> Good afternoon Mayor Adler and council, Mayor Pro Tem. Mark Madrid here, president and CEO of the Greater San Antonio Hispanic Chamber of Commerce. It's a delight to be with you this afternoon. And just to have a candid conversation with you in opposition to 2.10, 2.1, 2.14. Let me start off by saying multiculturalism and diversity is one of the greatest economic development benefits we have in Austin.

[1:58:59 PM]

I couldn't be more proud to work hand in hand with the greater hispanic chamber of commerce and the here to support our brothers and sisters. A little about Mecca. This has been around since 2000 and I champion this every opportunity that I get. This is the only consortium of this type in the country. In the country. We come together not because we have to, we come together because we want to. And even have heard from Patricia with the greater Austin black chamber, the greater Austin Asian chamber and even Mike from the greater Austin chamber, it's about economic impact. You know, the mission at the greater Austin hispanic chamber is to build our members' personal business and educational wealth. Our vision is to be the center of excellence for businesses and entrepreneurs in the central Texas hispanic market. You know, a research study that we funded or that we hosted and produced told that based on 2013 Numbers that we have approximately 30,000 hispanic-owned businesses in the area. That number we see as projected to grow to possibly 50,000 hispanic-owned businesses in the next five years. That's great news. On the flip side, we also learned that over 89.2% of hispanic-owned businesses in the area have annual revenues less than \$500,000 and an average employee size of four. So we are reinforced with a position to build business capacity and also to provide certification referrals and procurement opportunities for small business owners. That is at the core of the hispanic chamber of commerce. That's what we do on a daily basis. And just to be frank with you, this is our most critical week of the year as we are having our largest event of the season this Saturday.

[2:01:07 PM]

Let me give you two examples of who we are honoring. Our hispanic female entrepreneur of the year is the owner of a maid service. She started her business with one car with a faulty transmission and one employee. And today she has over 30 employees and --

[buzzer buzz.

[Buzzer sounding]

-- Over 30 cars.

[Inaudible] Septic system. That's who we represent. We ask for your support not to cut chamber of commerce funding and thank you for this opportunity.

>> Mayor Adler: Thank you. Is Bobby Jenkins here? Is see gratis here? Thank you, sir.

>> Thank you, mayor, thank you, city council, thank you guys for working through lunch today and listening to our comments. My name is Danny Lowery, I'm on the board of the greater hispanic chamber of commerce. I'm also the vice president and general manager the U ever ever -- univision here in Austin. We have two radio stations and two television stations that serve 750,000 hispanics in the Austin DMA. I'm just here to provide testament to the great work that the hispanic chamber of commerce does and the Austin chamber of commerce for that matter. Two chambers which I work with on a fairly consistent basis. You know, the thing about the work that they do, there's a lot of events and things, but more importantly it is a life line for small business owners and I'm relatively new to Austin, I've been here a year and the entrepreneurial spirit is amazing. Just little things that people need as they try to maintain and grow their business.

[2:03:08 PM]

These chambers provide. They are that life line. And just so you notice, these chambers, as you know, are not for profit. These are nonprofit entities that are stretching every single dollar that they have as far as humanly possible to do as much good work in our community as they possibly can. And I for one have seen firsthand many, many people live the American dream because of the resources provided by our chambers of commerce. And I would urge you to -- to not vote for the -- the cost-cutting or the -- the defunding of the chambers. They do great work. That's all I've got.

>> Mayor Adler: Thank you very much.

>> Mayor, I have a question.

>> Mayor Adler: Ms. Pool.

>> Pool: This is just a question procedural. When we do get to looking at items like this on the concept menu, will we be -- I have a proposal relating to the greater Austin black chamber or the greater Asian chamber and the Austin gay and lesbian chamber to increase their funding. Will that proposal be brought up in tandem with the proposal that is being discussed here to cut, so we would have two different essentially competing proposals?

>> Mayor Adler: It's my intent as we discussed earlier when we were done with the public hearing and we've closed that, I've handed out what is our cut and paste of the concept items broken out by category. It's not perfect. We're turning over responsibility of that list to the budget office and so it will actually get better but I think it's pretty close. It's my intent to pull these things up by subject area and then we'll talk about them.

[2:05:09 PM]

If there's some things that are not on here that people want to make part of the conversation we can do that as well.

>> Pool: I think we still have another week or ten days to put items on the concept menu and maybe that's a message we can reiterate to folks in the community that we're not done adding, you know, with our additions to the concept menu, both additions and shifts and also budget reductions. So it's -- this is a work in progress.

>> Thank you, great to hear that. Appreciate it.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Let me go back to the apple thing. I'm on the Austin chamber.com right now on website there's a posting here may 1, 2012 talking about how apple was awarded the subsidies and the incentives. And so I want to try to communicate from you from my [inaudible] Didn't even know that we were subsidizing with tax dollars this kind of work. So there's a political component to what's going on here because a lot of people were politically opposed to this. So the issue is we don't have a voice in the city to balance this voice for the apple subsidies. The Austin chamber is bragging about how great the apple subsidies are. There's no taxpayer funded voice to say no, it's a bad idea and here's the reason why. I'm not asking for that. I don't want taxpayer subsidies for any of this. I don't want to create a posing voice to say this is a bad idea. Don't raise their taxes to subsidize new companies. That voice isn't heard. Do you see why there's an unfairness, inequity about this?

>> I can see the issue, I don't see where the solution is in the proposition, however, I think you have CEOs at each of the chambers that would be more than willing to listen to those concerns and make -- make those -- implement those types of adjustments in their board meetings, in the way they direct those chambers.

[2:07:13 PM]

>> Zimmerman: But it's not because the chamber takes a position they are in favor. And not all the businesses in the community are in favor of the apple subsidies. Would you agree? There's not 100% agreement that the businesses all support apple subsidies. That's not 100%. There are people that disagree. They are not taxpayer subsidized like the chamber is.

>> If there's more dialogue with the CEOs of the chamber of commerce, I believe that those problems and those challenges, the solution will take care of itself with the right communication. But -- to propose

pulling funding as a solution to me is more of a punishment than a solution.

>> Zimmerman: But it's an impossible problem. I can't have a chamber, a taxpayer subsidized chamber that can represent both sides. I get the argument the chamber is making, yeah, it's going to bring jobs, whatever it does. That's a valid argument to make, but there's no opportunity for the other side to be heard on a taxpayer subsidized platform. So the only thing to be fair is to take the subsidies away. You still have your voice, just take the subsidies away for the chamber of commerce and let everybody have free speech.

>> Mayor Adler: Further comment on this? Ms. Gallo and then Ms. Houston.

>> Gallo: I have a question is something is going to be part of the discussion with the budget process because I think it's the discussion that addresses the concerns that we have for transparency of expenses and I want to make sure -- I'm a small business owner and I support what the chambers do and I have no intention of reducing the dollars that the city supports the chambers with, but I think my issue is I just want to make sure that those decisions are very transparent to the population and they know where to look for that funding. So mayor, we've had some discussions about moving from a transfer from Austin energy to more like a dividend payment so that that money goes into the general fund and then all of those things that were being paid with Austin energy transfers become more transparent because they are actually part of the department budgets.

[2:09:32 PM]

So I really want to understand it's the transparency component that's part of a lot of this concern, not actually the funding component, but the transparency component of that funding. I'm just curious where that discussion will be because to me that addresses the transparency issue more
[inaudible]

>> Mayor Adler: That we discussed as we indicated we would over the spring when we were also talking about Austin energy, that we'll discuss that after the budget is done. So it will be this fall. I think that's going to be part of a much larger conversation about restructuring Austin energy. I think it's going to be tied into the conversations that we're going to have with the rate making that happens. But fully my desire to move to a structure more like what San Antonio has. There's just, I believe it would be impossible for us to wrestle with the complicated set of issues related to that as part of this budget process. But it's certainly something that [inaudible] Right after that on what I think will be a several-month conversation.

>> Pool: So I guess what I'm hearing then is for those of us that are concerned about the transparency of things being paid for within Austin energy as transfers, we're not going to be able to --

>> Mayor Adler: I don't think that's something we're going to be able to resolve in this budget process because I don't think we have the band width or the time to be able to do that. There are lots of really complicated legal and financing questions associated with that. That's going to be a huge decision. Quite frankly, I think it could consume a big part of your committee's work starting --

>> Pool: Thank you, sir.

[2:11:33 PM]

Okay. So I guess -- I guess part of my concern is how do we -- how do we address -- it sounds like then that we have to address the lack of transparency with a more detailed look at the particular line items of what those transfers contain versus a blanket cutting of all the transfers because we're not going to talk about the issue of transposing into a dividend.

>> Mayor Adler: I think the attempt to do that given different tax bases and different programming, it will take up more of your committee's time than you are --

>> Pool: And I understand. I think spring is the good discussion. I'm trying to figure how to maneuver through that right now with the concerns we have.

>> Mayor Adler: I think it would be similar to the conversations we had in the spring where there were people that wanted us to address that at that time. And there seemed to be some people that wanted to consider that and we said at that time that we would be talking about it in the fall and I think that's what happens.

>> Pool: Okay, so we will go back then -- that gives me some direction. What it says to me is we need to go back and look -- we being my office go back and look more specifically at the outline items of those transfers to really pull out the ones that we -- that we want to pull out versus deal with the whole group of them as a whole.

>> Mayor Adler: That would be my recommendation. Further discussion on this issue? Ms. Houston.

>> Houston: Thank you, mayor. This is probably going to be unpopular to most people, but during the campaign I talked about how the city lives in silos and how we -- because of past historic practices we now have the greater chamber and then we have six different chambers representing six different ethnic groups and cultural groups and demographics rather than having a single chamber, which under the umbrella of a single chamber deals with issues that have to do with gay lesbian folks, young professional folks, Asian folks, you know, Latino folks, all those things.

[2:13:54 PM]

And so here we are still in 2015 where we have to separate out because I don't that I the the minority chambers are comfortable feel like they will be heard if they are just part of the greater chamber. And there's a efficiency of scale if we just had a chamber of commerce instead of having a large chamber and then having subchambers and we have to fund all of those. And so I just want us to understand that we are doing the same thing that we fought so hard not to do, we're separate but unequally. The large chamber gets more money and the less get less. So why don't we start thinking about how we can have a chamber of commerce and then we all have a voice and then we all -- we fund that and everybody goes out and does whatever it is they are charged to do. It's just that we continue to perpetuate that separate and unequal concept.

[Applause]

>> Mayor Adler: Is there discussion? All right, the next speakers, Danny Lowry, I'll ask again, bobby Jenkins, see gratus and Kaitlin Murphy. Is Kaitlin Murphy here? You will be next at the dais.

>> Good afternoon council, mayor, mayor pro tem. I'm see, a small business owner and a member of the Austin gay and lesbian chamber of commerce. I'm here to express my opposition to items 2.1, 2.10 and 2.14. Austin prides itself being an equitable city diversifying the Austin economy is committee to job creation and economic stability and empowering small businesses. This item contradicts small business values of supporting small business development.

[2:15:56 PM]

The aglcc partners with hispanic chamber, Asian and black chambers of commerce in a coalition call Mecca. Mark mentioned it earlier. The group was formed by the economic development department. Aside from co-hosting several events each year, the work with do with other minority chambers means we can disseminate information to educate unique constituents to resources and opportunities in culturally specific ways. We also engage our communities when the city needs feedback. We help promote events that have a major economic impact to the city nationally and internationally. Our work is essential in ensuring equitable opportunities for everyone in Austin. The aglcc just started receiving funding that would allow it to hire staff and get office space. The funding that will help create programs

that will assist our businesses become successful. Programs in procurement, certification, business development. It is funding from the economic development department that gives our chamber and our 350 members the opportunity to become successful. Our relationship and partnership provided by this contract with the economic development department was recognized a couple weeks ago by the national gay and lesbian chamber of commerce. Received an excellence in community impact award because of the relationships we have formed. Reducing sources for economic development reduces services and resources to Austin's minority community. It sends the wrong message to our communities. These reductions not only impact economic growth but Austin's very culture. I urge you to oppose this reductions when they come up for discussion. Thank you.

>> Mayor Adler: Thank you. The next speaker will be -- and by the way, I apologize for Ms. Pronouncing your name.

>> That's okay.

>> Mayor Adler: Is Chad joeling and you can correct me on mispronouncing your first name.

[2:18:06 PM]

>> Kaitlin Murphy for the American heart association. The American heart association has a network of close to 30,000 volunteers across Texas with about 2500 right here in Austin. On behalf of our volunteers organizations I am here today to urge to you support the concept item 1.29 for an allocation of \$400,000 to create a healthy corner store initiative for the city of Austin. This city administered program would provide needed support and assistance to local small business owners of corner stores in offering healthy food options in under served low to moderate income communities throughout Austin. It is critical for this program to include a community engage many component to ensure success through education of community members and small business owners. As well as build lasting relationships. A community driven implementation of this program is essential for the success. Strongly encourages a focus on low to moderate income areas to ensure the program under served communities most in need. A priority is to benefit the health of the community through Austin where a small investment can have high impact. Further the aha supports the program geared toward small scale stores including corner stores, convenience stores and neighborhood stores instead of a more expansive term of a local food retail store. The goal is to have a permanent and immediate impact on communities by providing healthy food options at neighborhood stores already in the community. While there is a need for more grocery stores in some areas of Austin, the heart of this program is about meeting the community where it is and providing healthy food options in the neighborhoods with the greatest need. Lastly it is important for this program to contain an evaluation component to ensure accountability and good stewardship of the investment.

[2:20:08 PM]

Urging -- for creation of city administered healthy corner store program. To be administered consistent with existing city policies. That would impact under served, low to moderate income communities to support and assist small scale food retail stores in offering healthy food options, provide for an evaluation and accountability component and support engagement with local community members. Thank you for your time.

>> Mayor Adler: Thank you.

[Applause] Is John Murphy here? John Murphy? You'll be up next at this podium. How do you pronounce your first name?

>> Shiley. It's quite simple unlike my first. Thank you mayor, councilmembers, thank you all for letting me testify very briefly in front of y'all. I'm here to follow up Ms. Murphy. Kaitlin did a great job laying out

the allocation in the budget. I'm here to talk to you about the \$400,000 for a city administered healthy corner store initiative. I am born and raised in Austin, Texas. Lived here my whole life, went to U.T. Councilmember Tovo is my councilmember. And this is my first time to testify in front of city council so I'm a little nervous. But I just -- I'm here because this is a very important issue. Excuse me. Basically enabling small business owners with the resources they need to provide healthy foods is a no brainer investment. It helps schools, it helps the communities, small businesses do better when they have -- when they provide healthier foods. And quite literally healthy foods make our communities stronger. So I also just think it's a very important investment. Volunteering here, seeing the need, seeing the need in Austin for healthier alternatives, I think this is a great program to bridge the gap between -- you know, farmers markets are very popular.

[2:22:14 PM]

Obviously we have large grocers here, but farmers markets aren't open all the time and large grocers actually, you know, are not close to everyone. So I believe this initiative helps bridge the gap with access to healthy foods for families in Austin. And I think it's good for businesses and good for the community and thank you all for your time.

>> Mayor Adler: Thank you.

[Applause] Is Julia Bon Alexander here? Is Kay Washington here? Okay. Sir. Mr. Murphy. You can start. >> Thank you. Good afternoon, mayor and members of the council. I am John Murphy. No relation to Kaitlin. There's always another Murphy. I moved from Boston to Austin in 2003, lived in district 5 and most recently moved into district 9 where I have walking -- have the pleasure of walking distance to whole food market and the farmers markets on the weekend and I'm here asking to you please include 400,000 in the budget for healthy corner store initiative to serve austinites who don't have the benefits that I enjoy being able to readily access healthy food. I was invited to these very chambers last year in conjunction with the stroke month proclamation to tell the compelling cautionary tale of my experience as a stroke survivor titled confessions of an arrogant -- I was a celebrated all American high school and college distance runner. Graduated from college and quickly moved into the booming tech -- in the Boston area. By the age 30 I was a textbook young invincible who assumed because I could still run I didn't need to bother with habits such as healthy eating or visiting the doctor for annual physical.

[2:24:24 PM]

This led to a cycle of rapid weight loss and gain. This reckless course came to a tragic near fatal result when I was at the age of 45 while running a marathon in Chicago I ignored the warning signs of a stroke, completed the marathon in 3 upon -- 3:06 but ended up with a stroke that nearly killed me and left me disabled for life. The city of Austin is not as fit or healthy as its reputation or appearance. One in four austinites is obese and five zip codes are without a single grocery store limiting families' 5:00 sets to healthy food. I'll conclude with one story of my stroke recovery. After 18 months of grueling daily work at St. David's outpatient, I was walking, driving, even riding a bike but still cognitively impaired, I simply could not take care of myself and was then living with my parents. Shopping to prove I was actually working hard enough on my cognitive disabilities to be able to take care of myself so still using a few days a week for therapy. This one day I recall one bus ride home number 10 bus stop heading south on red river seeing a woman with a toddler already juggling with a toddler and grocery bags from the HEB at the highland mall. When the woman stopped and got to catch another bus at 11th street, it dawned on me I too might be facing the prospect of race to go catch two connecting buses just to get to the store and feed myself.

[Buzzer sounding] At that point I wondered how I would take care of myself and even greater fear would

fall back into the unhealthy habits he like dinner dates with the pizza. My blood cholesterol are in -- still exercise.

[2:26:25 PM]

I should have warned her about that woman and her now 12-year-old daughter so please support \$400,000 to create a healthy store initiative. Take care of that woman and her daughter and austinites that don't have access to healthy food. Thank you.

>> Mayor Adler: Thank you very much. 3:06 is an awfully impressive time. Marcy Wilson. You'll come to this microphone. Ma'am.

>> Good afternoon, mayor Adler and city council. I'm pk Washington and I live in councilman Garza's district. I am a mother, grandmother, great grandmother and I'm the current Ms. Texas classic of the united America beauty pageant. I know how important it is for you to support an allocation of \$400,000 for a city administered healthy corner initiative for the corner stores. Did you know that 14% of texans live in neighborhoods lacking healthy food options? We in Austin, we're not spared. There are many food deserts around here to see. I am fortunate I can buy healthy foods in my neighborhood for my family but not every mother has that opportunity. My involvement at my church metropolitan ame church has alerted me to the fact that many Austin parents face a difficult choice of where to find healthy foods and to feed their children. As a heart survivor, I find it hard to accept. We must change the status quo. As my family, friends and even people I've just met can tell you, my mantra is not just about living but to thrive. As part of my location to lead fellow community members in my city to make this place a better place, I want to increase healthy food options for Austin city families. It will be difficult to make Texas a healthier place to raise our children, grandchildren and great children as far as my concern without providing mothers and fathers the opportunity to buy healthy food at the neighborhood stores.

[2:28:33 PM]

And under deserved, low and moderate income communities like those in east Austin and south Austin, a lack of healthy food access and a major contributor to disease such as obesity, diabetes, heart diseases and even strokes. Diseases I dedicated my time as a volunteer to eradicate. Austin nearly one in four fourth graders have obesity problems. We have to make fruit and vegetables accessible to corner stores already in the communities which needs better access so our families can just simply walk to those stores and get that fresh food and vegetables. Please, please, city council, support allocations on \$400,000 for a city administered healthy corner story initiative which would make corner stores offer fruit and vegetables and so much more. Healthy options is just around the corner for all Austin families. Help our kids to live, survive and not just survive. On behalf of chastity my great god daughter, I thank you.

[Applause]

>> Chastity, before you leave, anyone that's been around for a while, so how old is chastity?

>> 3 in October.

>> She's 3 in October. Just adorable. This is your great granddaughter?

>> Great god daughter.

>> Since she's probably not old enough to make this promise to me, I'm going to let you make the promise to me that when she turns 18 she will go register to vote before she does anything else. And my guess is that you will make that promise come true. Thank you, chastity.

>> Mayor Adler: Thank you. Good-bye. Is Ann dafrimone here? You will be next.

>> Good afternoon, mayor and members of the council. My name is Marcy Wilson and I'm the stroke outreach coordinator [inaudible] And which is a very personal issue for me.

[2:30:45 PM]

My journey with heart disease was 30 years old and I collapsed at work and I was found out to have afibrillation, a condition they hadn't been able to figure out before. I began drug therapy. I also followed -- followed by surgery and change styles -- changes to my life style. Through this process I was inspired to dedicate my life to heart disease and stroke and I am dedicating to help Texas, texans lead healthier lives free of heart disease and stroke. That's why I ask you today to please support an allocation of \$400,000 to the city administered healthy store initiative, 1.29. As a leader in the hispanic community, I know firsthand that the majority of living in Austin and low-income and moderate income and under served areas are minorities who face significant health disparities. Hispanics in Austin are twice as likely to be obese and twice as likely to die from diabetes. As a matter of fact, there's one school here in Austin that 80% of the children that are in middle school have the marker for diabetes already. That's why we're seeing in the hospital already younger people with heart attacks and stroke that come in because they are living the type of life that before you would see somebody come in with a heart attack or stroke when they were 60 or 80 years old, now you are seeing in 20s and 30s and even 40 years old. While one in five texans -- Texas obese children are obese, obesity affects nearly half of all the hispanic children in the state. As a trend setting city, Austin should not stand for these disparities. We have the knowledge and the power to change. One thing we know is the lack of access to healthy foods is the major factor in obesity and heart disease. And, of course, we know that with obesity comes high cholesterol, high blood pressure and also diabetes.

[2:32:54 PM]

So investing in local corner stores is one way to improve the health of low and moderate income under served austinites as well as support the neighborhood economy. Please allocate 400,000 for a city administered healthy store initiative which impacts all Austin's under served, low to moderate income communities. It's hard to recover from heart disease. If you are even lucky to recover at all. It's easier to prevent heart disease. Providing healthy options in our neighborhoods is one step closer to preventing hard disease.

[Buzzer sounding] I urge you to [inaudible] 400,000 for a healthy corner store initiative. Thank you all from the bottom of my heart.

[Applause]

>> Mayor Adler: Is Jose Ba basiero here? You will be up next.

>> Good afternoon, mayor, councilmembers. And dapramont with wgu Texas but take I'm here in my capacity as a volunteer with the American heart association. I'm here to ask to you please make a healthy choice. It's an easy choice to support the city administered healthy corner store initiative. As an advocate for the end of heart disease, I implore you to make the future brighter for the children's heart health in Austin childhood obesity is a continuing problem. Childhood obesity increases the risk of a lifetime of costly diseases such as diabetes, heart disease and certain kinds of strokes. In Austin almost 24 -- are obese. Many children in Austin cannot find healthy foods in their neighborhood.

[2:34:58 PM]

That's what the helter corner store is all about. I'm very fortunate I live in district 8 so I can literally walk to a beautiful HEB plus in less than two minutes from my home. I have a less than five minute drive to a wonderful whole foods market so I have plenty of access to healthy foods. However, in some areas of Austin low and moderate income families don't have easy access to grocery stores. Often those families

are forced to buy their food in convenience stores and they typically don't offer healthy options. Families have to choose from highly processed nonperishable foods high in calories, fat, sodium and low in nutritional quality. Austin kids cannot grow up healthy on the diet like that. Access to the healthy food options could be just around the corner. A healthy corner store initiative can help store owners in under served low and moderate income communities renovate their stores to -- in order to sell fresh fruits and vegetables. These programs make it possible for Austin families to shop for healthy food in their own neighborhoods. It will result in a healthier and happier kids and ultimately a brighter future for austinites. Please support a 400,000 allocation for Austin healthy corner store initiative. Thank you.

>> Houston: Mayor, may I ask a question? Is the \$400,000 for the city? Is that citywide?

>> Yes, ma'am, I would defer to Kaitlin.

>> [Inaudible]

>> Mayor Adler: And one followup question. How much of that \$400,000 which is for the whole city is a capital expense and how much recurring expense?

>> We actually leave that determination to council. Going by what we've seen in other cities, there normally is a larger capital expense up front and once that program is in place they've lowered it down. I can compare that to Philadelphia that started with 1.5 million, larger city, more population.

[2:37:03 PM]

And now they are doing a recurring at 500,000 each year to maintain. So there is, you know, some different ways to do that.

>> Mayor Adler: If you could get that detail back to us, I think that would be helpful. How much of the \$400,000 would be recurring and how much would be a one-time experience.

>> Houston: One more question. Are you aware interfaith Austin also has a request in for funding for the same kind of program? Is there any way you could coordinate -- one of the things we have a problem with since we have limited money is try to avoid duplication. Could you coordinate with them and see if you all could work together?

>> Yes, ma'am. We have been having conversations. Our visions are very similar and there is overlaps. It would not be a need for two separate, but we definitely want to do citywide.

>> Mayor Adler: Ms. Pool.

>> Pool: I wanted to say thank you to the American heart association folks for coming. I did go with the higher dollar figure you had offered, the 400,000 offer the 200 or 250 that interfaith had offered, although they were the first ones to bring the initiative that I saw. And their focus was in 78744 and 78745. So when we look at the digs persian around the city we can look where the focuses interfaith was looking for and see the broader focus that you all are bringing. So we'll cross our fingers and see if we can make something like this happen.

>> Thank you.

>> Mayor Adler: Yes, Ms. Garza.

>> Garza: I think it's a great idea to have a policy for citywide, but the food desert problem isn't citywide. I guess do you -- is your program concentrating on certain areas where food deserts exist?

[2:39:07 PM]

>> Yes, ma'am. What we're looking to have, so it's not a -- we want this to be in coordination with local organizations already in communities, we think the program should be limited to low to moderate communities who live in under served. I think if we just limit it to under served you could have some opportunities where the funding could go to districts or areas that maybe aren't as in need, but we don't want to limit it by zip code. It would be great to prioritize certain zip codes, but some communities fall

outside the boundary and we want to make sure all low to moderate income areas around Austin would have eligibility to be part of this program.

>> Mayor Adler: Okay. Yes. Ms. Tovo.

>> Tovo: So just to get back to that last point, it sounds like the goals are really very aligned with Austin interfaith in terms of making sure that these corner store incentive programs would be located in area of highest need and you define that similarly, as far as I can tell, in terms of socioeconomic and access to food.

>> Yes, ma'am.

>> Tovo: Okay. Thanks very much.

>> Mayor Adler: Okay. Thank you. Andrew Dobbs, is he here? You will be up next. Sir.

>> Hello, mayor and council. Thank you for the opportunity to speak to you today. I am Jose besaro, board chairman of the clean Texas organization which is nonprofit organization that represents the clean tech industry in central Texas region. We work very closely with the chambers of commerce including the Austin black chamber and the Austin chamber of commerce. There's been discussion already about supporting -- continuing for the council to continue supporting funding for chambers of commerce for economic development. What has not been discussed is continuation to fund specifically clean economic development which is what my comments will touch on today.

[2:41:08 PM]

Prior to my current role of working with the clean technicals organization I ran the Austin chamber of commerce's clean tech economic development program for seven years. The funding that was provided through Austin energy and the city of Austin was critical for growing Austin's clean tech industry sector. Over a ten-year period because of the funding we were able to grow Austin's clean tech industry ten years ago only had about 30 companies and 3,000 employees. Today we have over 250 companies and 20,000 employees in clean tech. Clean tech today in Austin contributes about \$2.5 billion to the Austin regional economy making Austin the fastest growing clean tech economy industry in the entire assasination. It's also one of the most clean tech hubs because of the funding provided by the city. Without the funding we wouldn't have been able to be so successful and the chamber and clean tech would not have been able to bring stakeholders to you to recruit companies like sunflower, watch new initiatives like pecan street that's brought \$50 million of research funding or game changing starters. Continued and sustained funding for clean tech economic development gives us opportunities to do new exciting initiatives bike launching a vehicle in -- innovation hub. Companies like apple and the G.M. Innovation center are vital for making Austin the center of the unifiers for mobility research. Smart water technology innovation. Resilient infrastructure research and innovation, advancing solar business models so we can deploy solar across the city. I ask for your support to continue funding the chambers of commerce, specifically clean energy economic development funding so we can continue recruiting the best companies that fit into our ecosystem that share Austin's values.

[2:43:09 PM]

And I think the companies we have recruited to Austin do share our values. And I want to continue making Austin the clean tech innovation hub of the entire country. The one that's a model for how clean tech will begin to grow by developing technologies in cleaner water, air, make electricity for reliable and cheap for our citizens. Thank you.

>> Mayor Adler: Ready? Sorry, Mr. Dobbs. Is Cyrus here? You will be next. Mr. Dobbs.

>> Oh, thanks so much mayor and council for having us all here today. I know it's a thrilling day for everybody. I'm Dodds, the program director with Texas campaign for the environment here to talk

about compost. Why it's important that we do it for everybody in the city. This can go taken as opposition to concept items 2.17 and 3.09. First things first, the compost program we're about to roll out in the city of Austin is not -- is not going to be a cost center for most Austin. Most research customers are going to save money. Actual dollars and cents because of this program. 74.5% of austinites, three-quarters of austinites have either 96-gallon can or 64-gallon can. The cost differential between those cans and the next lowest more than makes up for the 4.10 that's the proposed rate increase after the program is fully implemented. That 4.10 is the maximum possible cost this program is going to cost. There's a great chance it will cost rents of residents less once we start churning these numbers. The good news is when you support compost for all, people are going to get to save money. So that's really important. What will not save money is making this a subscription only program because you still got to buy trucks, you still got to buy carts, you still got to hire personnel, negotiate contracts.

[2:45:11 PM]

You'll save a tiny little bit off that, but you are going to end up getting a lot less material and you are going to get a lot for your people involved so the people that are paying for it are going to have to pay a lot more than 4.10 a month. This goes from a service that is an absolute necessity and opportunity for most people to save money to something that becomes a luxury that only a few can afford. What we've seen in other communities that have tried this, San Antonio is doing this right now. They are about to transition to universal service and provide to every in the city because it hasn't made an impact on zero waste bottom line. Same in Seattle and San Francisco, they were throwing a lot of comb postables so they switched to a universal service. What happens in Burnsville, Minnesota the system went into a death spiral. You had a small chunk of people drop out and you had to raise costs which causes more people to drop out. At the end the town of 11 households had fewer than 30 customers participation. The program collapsed. We cannot let that happen here. This is not a luxury service. This is an absolutely necessary not only for, you know, a sanitary city which is why we say don't let people opt out of trash service. It is absolutely necessary for zero waste goals and climate goals. Giving up on this program or making it into a luxury service for a small number of austinites is tantamount to saying we're abandoning these goals. We will not get to 90% diversion based on a description only service that set at luxury pricing.

[Buzzer sounding] It's absolutely necessary we keep this as a service for all Austin. Happy to answer questions.

>> Mayor Adler: Thank you.

>> Houston: I have one.

>> Mayor Adler: A lot of people do. Ms. How often, Ms. Pool, Mr. Zimmerman.

>> Houston: Mr. Dobbs, you have so much enthusiasm about composting.

[2:47:14 PM]

>> It's makes, isn't it?

How>> Houston: We have how many programs?

>> 14,000.

>> Houston: And that's all over Austin?

>> Yes, ma'am, they were distributed throughout the city.

>> Houston: And what is the actual kind of buy-in from those in the pilot program?

>> Variable different in different places. I think the highest they saw were in the upper 60s. When you add in people doing backyard composting that's about what we're getting with recycling. Those were the places they spent to go door to door and talk to people.

>> Houston: There are people in district 1 who compost and so they are going to be charged to participate in the program even though they are already composting.

>> This program takes materials most people can't do in their backyards like meat and bones, pizza boxes and dairy and that sort of thing. That does have an opportunity -- and a learning percentage, this is a dirty secret. A lot of people make mistakes and the pile dies. That stuff lands in the landfill. This gives us an opportunity to make sure as people are learning and developing their system, they still have an opportunity to divert from a landfill.

>> Houston: My last point is I'm part of that pilot and I enjoy my 96-gallon can which I could get in. And I'm a single person. But I want to be clear, if we do this citywide, we're not providing this service, people are paying for this service.

>> True.

>> Houston: And so when you say they will save money, I'm at the smallest trash can now so I'll still have to pay.

>> Right. I mean I also want to make clear even at the maximum cost, \$4.10 a month is less than a small ice cream at Amy's ice cream.

>> Except I'm on a fixed income so I have to speak for those of us on a fixed income.

[2:49:15 PM]

Every dollar and a half adds up.

>> And if we don't do this, the cost to our climate to having to permit new waste facilities, those are significant and not being reflected here. This is not something we cannot afford to do.

>> Mayor Adler: Ms. Pool, you were next.

>> Pool: Thanks for being here, Mr. Dobbs. So the additional benefit for the compost collection at this level is that you'll be able to turn that into soil. Is that right?

>> Yeah.

>> Pool: And that's a really good quality soil and -- and it's something that then people would be able to come and use rather than buying it at, like the corner nursery or something.

>> You are going to need to take about nar. Pool pulmonary and that's also part of the whole idea of the collection and the reuse of -- and the repurposing of all kinds of items that's part of the goal for resource recovery.

>> Right. I mean there's zero waste goal which is get to 95% diversion by 2040. You know, getting rid of the concept of waste in this city. We cannot meet that unless we have this program. Unless it's available to everyone.

>> Pool: I also wanted to compliment the program a being able to take some of the items that we can't now put in our compost. We've been composting in our backyard ten years and it works because you have to go there. You can't just -- there's a lot that goes into a successful compost with the good soil at the end of it and there's a lot of items that we can't put in there. And it looks like you are able to provide an expanded service so that we can have a smaller cart and we're down to the smallest trash cart that is possible and we don't even fill that up anymore, what with that and the additional single stream recycles that we also have. I really appreciate the work that everyone is doing with this and the work that tce does in conjunction with the city's efforts.

[2:51:22 PM]

>> Thank you.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Mr. Dobbs, love to have you here. You do a great job of promoting the cause. We had a

conversation about approximate \$1.6 million of savings we were going to get out of the plastic bag ban that kind of didn't happen. Generally I think the recycle program is unaffordable and unsustainable and your trucks are going to get to Detroit faster than you think.

>> Mayor Adler: Any further comment? Thank you very much.

>> Thank you.

>> Mayor Adler: After the next speaker, sorry, Albert metz here?

>> Yeah, he's here.

>> Mayor Adler: I'm going to call Emilio next so Albert has time. You will be next at this podium. Cyrus, go ahead.

>> For the record, Cyrus reed representing the Sierra club. We at Sierra club have asked for three things in this budget. They all involve Austin energy. Two of them I believe don't cost any money. The first one is, as was discussed earlier this morning, there's a generation plan that sets the course for getting out of the use of coal. But to get there we need to have a reserve policy and a specific reserve that pays off the debt on that coal plant. And so we are asking to take some of the money in the reserves and begin paying off that debt. And we have suggested \$5 million as a starting point. It's obviously going to take a lot more than that over the next five to seven years to pay off the coal plant and get out of its use. That's the first ask.

[2:53:23 PM]

The second comes from a recommendation from a task force that I'm on, the low-income consumer task force. This recommendation has already been made and it's the role of a recommendation. It says to the extent we don't spend the cap weatherization and energy efficiency weatherization money in previous budget years, it rolls over to the next budget year. The latest -- this is a few months old. The latest Numbers from Austin energy is there's about \$1.29 million that they don't think they are going to spend that could be rolled over to help low-income folks weatherize their homes. We are in support of that. Those Numbers may need to be updated so you would have to check with the city manager, but we think that's a good use of the money. It was intended for that purpose. Let's roll it over. The third is an increase, would cost the budget, and that is -- and T. Paul discussed this earlier, to increase funding in energy efficiency programs specifically designed to help people at 200% or less of the poverty line. And we have suggested adding a million and a half to the weatherization program and 500,000 to the firefighter programs and those -- multi-family programs and those designed to reach people in the low to moderate income categories. First let me tell you there's some truth in what T. Paul said which is in 2014 we spent about 2.1 million in the weatherization programs and only reached 312 homes which means we were spending about \$6,700 per home. That's a lot of money per home. 2015, however, we're down to 4,000 per home. The program has gotten more efficient and we've reached 531 homes. Our goal is to get to about 1,000 homes a year and we think to get there at about \$3,800 a home you would need about 3.8 million. So a million and a half more than is in the budget now. I'll also agree that in our low-income task force discussions we have been talking about pilot programs.

[2:55:27 PM]

So I'll agree with T. Paul --

[buzzer sounding]

-- There are things week make these programs better and I'll email you a list of some of those ideas. I think we can increase the budget, help more people make it cost effective and use some pilot programs but we are asking for more money for those programs. Thank you.

>> Mayor Adler: Thank you. Please send that list. Sir.

>> Thank you. I'm going to read my statement. I didn't know if I was going to be able to be here, but thank you mayor and councilmembers. My name is Emilio and I'm a professor of history at the university of Texas and I have served on the last hispanic quality of life commission, appointed by councilmember Martinez. And I'm serving now another term in the new commission as appointee of councilmember kitchen. I'll read the rest. The commission has worked long and hard to develop the proposed policy and budget recommendations that we've submitted to you. Our current recommendations represent a shortened list of last year's recommendations. The past city council only accepted two recommendations that included infrastructure work in the rundberg area and the home buy outout in dove springs, both of which originated elsewhere. That is, the commission did not initiate them. The commission merely expressed support for them. In the final analysis, none of our recommendations were accepted last year. Since members of the commission and our supporters have already visited with the mayor, councilmembers and staff and informed them of our recommendations, I would only speak to a select group of recommendations that I think deserve added attention. First we call on you to establish a city diversity office to promote respect for difference that calls for fairness and justice in all the city government does in Austin.

[2:57:32 PM]

A number of cities throughout the country offer different models we could emulate. We recommended a parity principle. It will provide council and staff this diversity or this parity principle, a guiding measure of proportion at. The most obvious conversation would be the representation of the hispanic population as well as significant growth rate and continued marginalization. Second we cull call on constitution to -- the student mobility task force and for a permanent office that consolidates all current joint activities and seeks the next funds from public and private sources to advance our indicational cause among youth with a comprehensive and truly effective program that came to initiatives and places like Los Angeles. Third the commission also recommends the establishment of an hispanic Latino economic development corporation. To meet the critical need of wealth creation and business development in this city. We cannot expect the hispanic community to advance to points of self-sufficiency beyond its estimated claim of owning one tenth of one percent of the wealth in the entire city.

[Buzzer sounding]

>> Mayor Adler: You can finish your thought.

>> I'll skip some things. In conclusion we cannot all -- we cannot will our way to equity unfairness. City council's decision to establish a task force on hispanic quality of life in 208 and establishment of a commission now in its third year are laudible expressions of concern. We must give serious attention to the recommendation before you and take meaningful steps to fulfill the promise of government responsiveness, hispanic inclusion and improvement of the quality of life. Thank you very much.

>> Mayor Adler: Thank you. Mr. Metz is the next speaker and after him Adrian Nealy and will be at this podium.

[2:59:56 PM]

>> Good afternoon. My name is Albert metz. We need more sidewalks. Last week, last Monday night, last Wednesday night I was going home. I was crossing the street on south congress. South congress and slaughter. I pushed the button for the crosswalk. I just got into the crosswalk and a lady came around the corner and hit me. She hit me on the left side.

[3:02:01 PM]

She hit me on the left side and I use a communication device. She broke it and my finger. And the left side of my scooter. And there's no hope for my device. And that was a learner device. Thank you.

>> Mayor Adler: Thank you. The next speaker after Mr. Nealy will be hooverrral sender. Is he here? Frank her Ron, you will be next. Mr. Nealy.

>> Good afternoon, mayor, mayor Adler, mayor pro tem tovo and councilmembers. I'm Adrian Nealy, chair of the Austin's African-American cultural and heritage district and I'm here making a request for service contract with the city of Austin for 2015-2016 fiscal year in the amount of \$300,000. The services provided in areas -- in the areas of heritage education, arts and culture production and economic development. All of our work in these areas are meant to serve as an economic engine for the immediate community and the city as a whole.

[3:04:11 PM]

We are just completing our first year contract with the city of \$237,000. With the \$237,000, we have been able to accomplish the following. We've raised an additional \$200,000 for improvements for the -- the city owned facility. We've also put on many cultural and heritage events including bus tours around the district, and we've partnered with other institutions within the city along the lines of education enhancement and development. With our events and programs, we've been able about \$100,000 to trickle into the local economy through the district and indirect purchases. We've invested more than \$30,000 for educational information and resources for schools through our ongoing interactive wealth-based learning program which was -- which was developed through kealing middle school. Through the interactive websites and bus tours, other cultural heritage districts we've generated tourism dollars for Austin specifically among African-American and heritage tours. While our permanent staff is small, over the last 18 months we've generated over 30 temporary contract jobs, mostly in the creative and service industries, including designers, musicians, dancers, actors, stage technicians, visual arts, electricians, caterers, bus drivers, architects and many more.

[3:06:19 PM]

In conclusion, these figures are meant to combat the idea we're asking for a handout.

[Buzzer sounding] That's not so. The African-American cultural district is a value added tool to the city of Austin. We feel the city of Austin investment in this young organization will over time see ever greater impact in Austin's economy. Thank you for your time.

>> Mayor Adler: Thank you, sir. Ms. Tovo.

>> Tovo: Thank you, Mr. Nealy. I appreciate your service. Can you help me, you currently have -- the African-American cultural heritage district has a \$237,000 contract?

>> Contract.

>> Tovo: And is there -- as far as you know, is there any money in the proposed budget that we have before us for the African-American cultural heritage district? No. Okay. Thank you. And the request is 300,000?

>> 300,000 this year.

>> Tovo: So when you got the contract last year it was just a one time.

>> That's correct.

>> Tovo: Thank you very much.

>> Mayor Adler: Thank you, sir.

>> Thank you, sir.

>> Mayor Adler: Frank Herron and after that Nicholas hay. Is Nicholas here? Thank you, sir.

>> Mayor pro tem, council, thank you for the opportunity to speak. I'm a member of my neighborhood

association. I live downtown in probably what is the densest half block in Austin at third and nueces. I live there with more than 800 other people in that half block. We contribute about \$220 million to the local tax base and paid about \$4.5 million in property taxes this year. I'm privileged to be able to live there.

[3:08:21 PM]

What we don't have in Austin is what I now call taxpayer density. It may not be a term you are familiar with because I think I made it up about two weeks ago. In particular, the map that you should have in front of you by now shows with the exception of the cvd, our central core of Austin has resisted density for the last 30 years. Both the 2000 and the 2010 census map show pretty much the same development pattern. I ran the Numbers just the other day and in the central core of Austin, zip codes 01 through 05, in the last 42 months, our median home price has gone from 290,000 to 565. That's a 95% increase in 42 months. And it's not based on my opinion of value, that's based on closed transactions from the mls. Of those five zip codes, the only median price that did not rise was the cvd where we pretty much people build whatever density they want, we let the market determine how small a space and how close together people are willing to live in. You know Austin is now one of the most sprawling cities in America. We've just been determined to be the most economically segregated. We simply have no supply within the central core of the city because we've said through our increased development regulations over the last 30 years to the people in Austin we're not going to let you live in that kind of an environment. We're not going to let people develop density. And in order to save those central neighborhoods that were created by a free market and very little development regulation, we're going to go the opposite direction, we think we can preserve the quality of life by doing that.

[3:10:26 PM]

Instead the results have been disastrous. Many of you know terry Mitchell who is probably the most competent, experienced home builder in Austin and he's built a variety of price ranges from below market all the way to the ought austinian --

[buzzer sounding]

>> Mayor Adler: You can finish your thought.

>> He has two tools to impact affordability and those are square footage and density, end of story. If you support affordability and you want more tax money you need to support density. Thank you.

>> Mayor Adler: Is Linda copper -- conner here? You will be next.

>> Mayor, councilmembers, my name is nick hay, Heim here to speak about the reallocation of operations money to master planning and first year implementation at the park at 500 east Powell lane in north Austin. I come from a background of -- professional background of affordable housing, worked in affordable housing for about 15 years. I was in the army from 2006 to 2010. When I got out of the army, I took a position as assistant manager at walnut creek apartments. That was a property that had had its back broken by an APD shooting, Nathaniel sanders in 2009, was a hud community and we worked very hard to bring it together. One of the first things we did when I came on site was to look at the kids center. The kids center at walnut creek in 2011, my first week on the job had a three-legged table that had broken glass, rusty nails and defunct power saw.

[3:12:31 PM]

It wasn't a good kids center. We took that stuff out, we got a coat of paint on the walls and we worked with everybody. We worked with boy scouts and girl scouts of America, they donated books, we worked

with naacp, they donated bookshelves. Black muslims out of Houston brought up cans of paint and got the walls painted. Shoreline Christian church did programming and gave us a lot of support. So we worked with everybody. A few years later I moved to Santa Maria apartments, which was another community that had a considerable amount of isolation. At Santa Maria, there's a largely Vietnamese population. I walked in the community center the first week on the job and it had defunct workout equipment in it, it wasn't being used and we got that automaker of there. We brought in various financial programs, put on a dragon dance to celebrate in new year. I'm coming from a position of metaphor here. The larger issue beyond the boundaries of any one property is that people need a place to congregate. You can't even begin to have a conversation until you have a place to have that conversation. You can't begin to have fun until you have the land to have fun. And we're just now getting there in north Austin. Restoring rundberg is in its final year. We've got great support from a very active community. We've had great feedback and support from APD. Everybody is interested and everybody is is -- is alert and right now is the time to develop these parks. [Buzzer sounding] If I could quickly run through some stats. Median income of \$26,000 a year. Poverty rate 30%. 1600 households live within walking distance of the park at 500 east Powell lane.

[3:14:33 PM]

If we can get money there now, we can give a lot of help to a lot of folks.

>> Mayor Adler: Thank you.

>> Mayor? Mayor? Mr. Hay.

>> I was hoping that wouldn't happen. I'll real interested in your idea so I guess it's a good thing. Can you tell me the name of the park? Does it have a name?

>> I don't believe it does.

>> Is this the Georgian acre? We've put in a budget concept to fund the master plan and the first phase of improvements into the concept list we'll be discussing later.

>> Tovo: I didn't see it in the concept list, but I did see a discussion about it in the article. We'll get to talking about it later, but if you --

>> Casar: It should be in the one just printed out.

>> Tovo: Great. Thank you.

>> Casar: Mr. Hay, you talked about your experience at walnut creek and also at Santa Maria, are you still managing properties there?

>> I am. I'm not speaking on behalf of my company, but I manage wood land heights. I've spoken with residents about the upcoming development of that park and they are very, very

>> It is more of a relief that you see on their faces, and talk to them and mention they will have a plates to walk to. It is difficult on the frontage road to get somewhere easily when you have got the kids, you have got no car, because you're not making enough money to afford a car, so on and so forth.

>> Thank you for everything you do.

>> Mayor Adler: Ms. Fernandez, you are at the other podium.

>> I am representing the episcopal churches in greater Austin. I am here to talk to you about an organic organization that sprung up since the shootings in South Carolina.

[3:16:39 PM]

People from across Austin have been wonderful, of all races, many faiths and some not involved in faith at all. We have been meeting every month to talk about parody, diversity and making Austin greater. So from that perspective, I wanted to talk to you about some of the things in the proposed budget. We were scheduled to have our fourth meeting tonight. We have had in those meetings, no less than 329

people, is the lowest number we have. We wanted to talk to you because some of these things we're discussing on how to make Austin better. Those will need funding. %Pthe corner store initiative, as a stroke survivor, I can tell you when I returned to Austin, living in east Austin it was hard to find nice things at the larger stores. I will rundown this as a list because you heard from other people. Strongly support the African-American advisory commission in the areas of art, culture, business, economic development, employment, education and especially health. And the programs have improved the quality of life. We have been talking about the quality of life when that study started years ago. And it is really nice to see it try to get legs again. I hope that you will particularly focus on that. We're interested in justice and working with the police department cheer -- chief Acevedo has been at our meetings and the councilmember. We are for body cameras. We think that would help the police and the community. We would like to see the preservation of the African-American district and you clarified about the economic development office as an entrepreneur that has been helpful. I hope you will find funding for that. We would like to have you support activities for youth. That really is going to make a difference for the young people to have a way to have constructive growth. We support the jump on it teen night and the youth harvest foundation.

[3:18:40 PM]

We particularly need lower taxes, particularly in the zip codes the man was talking about. I live in 78702, and the house I grew up in, and my tax agreement payment monthly is enough for me to be buying a house. It is the same little wood frame house I grew up in. Many people are leaving and moving out of the community and I think the tax exemption for the elderly is important as well. Finally, as a person who worked her way out and then returned, libraries are incredibly important. You have several initiatives for that. I grew up every Saturday hanging out with Ms. Hawkins at the carver library when it was a one-room building that was thrown away as a downtown building. It made a difference in my life. I hope you consider those things. Thank you for your time and attention.

>> Mayor Adler: Mr. Philosopher will be coming up. After him, marcos Leon. Will be at this podium. Mr. Fernandez.

>> Good afternoon, council, my name is Carlino Fernandez. I'm talking to you as behalf of the lulac director who was supposed to be here, they're attending a meeting in silver falls. I'm the past lulac director. We're talking to you about a project, an exciting project in Austin. It is lulac educational service center. What it is in my opinion, I see it as I think tank. We do not have additional resources in our Barrios. Once our schools are closed, there is no access to internet there is no access to computers, there is no access to additional resources in order to reduce the academic gap we face in our community.

[3:20:40 PM]

We're asking for funding as a startup. One we begin, once we receive funds and startup of lens, national will kick in. National will pick it up from there. We have to first get to establishing and getting funds for the first run around. We have talked to Dr. Paul Cruz. He's on board. We have talked to -- in the process of speaking to president at the university of Texas, the chancellor. We are also as lulac members, charter members of UT elementary school, when we were going before the Texas board of education to get him a charter license. When we did that and they agreed, the question that the board members ask us, do you realize that your school board is the entity that oversees all the university system of Texas? So we have many strong partners in addressing the academic needs and the academic shortages in our communities. We do have a lot in our community open to 10:00 P.M. Is recreation centers. What -- recreation centers. We do not have libraries or entertainment centers like this that we're showing in the

video. Lulac district 12 has a track record of working with aid and other entity idea and southwest keys. Because we have parents in our community with children in charter schools, private schools and public schools. Lulac was interested in participating in the men and boys school that was created in aid. We were very proud and honored to work with trustee Sheryl Bradley who is here in the audience. She was real supportive. The community came together. And the Latinos in this area were the strongest supporters of this concept. So we ask you to invest in our youth, in our community. We are always asking poor communities to support jails, penitentiaries, dumps, and all other kind of negative activities.

[3:22:44 PM]

The time has come to change. The creation of this 10-one was one of the lulac seeds planted many years ago. We wanted to change the road from having a lot of students with probation officers, more with probation officers than counselors. We want to change that in order that our community can thrive. Thank you, mayor.

>> Mayor Adler: Thank you, sir. After Mr. Deleon speaks, Rex gore will speak. Is Mr. Gore here? Mr. Gore? Is don shepherd here? You will be next. Mr. Deleon.

>> Thank you. Thank you, mayor pro tem tovo, councilmembers, my name is Marco Deleon. I'm in the capacity of the director of education for district 12. They're talking about the center south. The program we gave you is called the fly program, f-l-l-y, it stands for future leaders and Latino youth. Is a part of the comprehensive plan. We have to develop mentors through education. What happens to the Latino youth, they graduate and many don't come back. What we want to do is have the young men and women graduate, master the skill of whatever area they want to, come back to the elementary schools, come back to the schools and give their testimony of what it was like to be -- to go to college. One of the things we don't have enough is the mentoring of our own leaders coming back to our community. The fly program would do that. What you have before you, if you get a chance to read is the five phases from 8th grade to undergraduate. Each phase takes them through a mentoring process. Through high school, through college. When they come back is part of the program is they have to come back. Many times we lose the mentoring. What if they get a job in new York or California?

[3:24:46 PM]

We hope through the initiative they develop their own communication through YouTube, Facebook, wherever they can put in video through YouTube through the experience that is going through high school and college. So they still give back. Even though they're not here physically, to give back in other forms. One of the things that is very important in our community, we understand that even though there are only 39% of the Latinos graduate from universities, it is one thing to get them enrolled, it is another thing for retention, to keep them and actually graduate. I know in today's paper that each school district wants to increase up to 70%. And that is very possible, but you need programs that will nurture these students. Give them a purpose of being leaders. Think about it. Those of us like myself have a master's degree. I have come back to my community with the knowledge I have. That's what we want them to do. So this city becomes the hub in Austin to develop the students. The 50 students we want to help will turn to 500 to 1,000. Every person they touch, every youth they touch will inspire them to be who they are. They share identities as Latinos, African-American, Asian Americans. To see he's like me, she's like me. I'm like you, this is what I have done. This is what you have to do. This is an idea that processes for having them come back. Start at 8th grade and continue on. This is something Austin needs. We want to bring it to Austin. We don't have a center in Austin. There are five in Texas. We don't have one in the capital city. The national lulac wants this in Austin.

[Buzzer sounding] . It is ugly. Been doing this 20 years. The proposal is in-depth and has a budget of

\$300,000.

>> Mayor Adler: Thank you. Is Daryl Smith here?

[3:26:51 PM]

You will be up next, sir.

>> I'm don shepherd, I'm in the Georgian acres. Nick Hague addressed the park funding and 1.56. It is more of public safety. Each of us see something different when we pass a field, whether it is privately owned or publicly owned. A child sees a park for grass and wants to play. A predator wants to get past that. In Georgian acres we have no park or grocery store. 30% of our children go to private schools out of Georgian acres approximate continue is not an attractive place, but it is where I live. Lisa and I, my wife, applied when no one else would apply from the neighborhood. From 2013 to 2014, during which time I developed an awareness of the many dysfunctional vacant property groups in our neighborhood. These dysfunctional property groups, mainly private land holdings, become depositories for homeless, crime, prostitution, a wealth of motels, no grocery stores in our area. I encourage city council to buy the 500 parcel for the Georgian neighborhood last August in order to control that predatorial staging ground for crimes against the residents of Sam Rayburn, against the residents in the two large apartment complexes, Nick Hage manages one. The one with the razor wire along the fence and barwood park and my neighborhood along orderly lane. I'm particularly concerned about the MIX of innocent trespass with criminal trespass on this overgrown and razor wire rich parkland.

[3:28:54 PM]

We're rich in young families and their safety must be prior. I mow a walking beat for the police. I pick up rocks and sticks. My neighbors join me where I can. May neighbors can't do that. They have to be at work. They can't wait from 11:00 to 3:00 to testify before you. The project in the third year is about to end. When it ends, we don't want to leave a vacuum. We want to look at this as a public safety initiative, to keep the park maintained. To put in solid fencing, to guide children through it, instead of around on 500 east Powell to Georgian acres where -- to the Georgian drive where the shootouts occur and have to go to school via that route. The thrust of the rund burg was there until it could extend itself.

[Buzzer sounding] I would like to go beyond that. Foot patrols can't be maintained where grass is seven-foot tall. I can't mow that. I ask you to approve 1.56, the \$500,000 allocation for the Georgian acres park at 500 east Powell. Thank you.

>> Mayor Adler: Thank you. The next speaker on deck is Adam Khan. Is Adam here? Is Susan Pantel here? She left? Is Scott Johnson here? Scott Johnson? Is Rob Foree here? Rob Foree? Is Rob Harmon here? Is Freddy Gonzales here.

[3:30:54 PM]

>> I'm here.

>> Mayor Adler: Ok. You'll be next, sir.

>> Thank you. My name is Daryl Smith. I have lived in Austin since 1989. I reviewed your budget. I feel that there is some waste in the public safety and municipal court area, and y'all can cut some funding from that by an audit of those departments. I think that there needs to be more money spent on improving and adding sidewalks and bike lanes in the city. To make it more pedestrian friendly. I think that you can improve energy efficiency with utility by getting people to switch over to LED lamps. These save as much electricity as the switchover from compact fluorescent or to compact fluorescent from incandescent lamps do. I think you should spend money on that and it will payback. Furthermore, I think

y'all should spend more money at the Austin energy on clean energy tech, fossil fuel electricity. Fossil fuel-free electricity, rather. Like the community solar farm that's proposed in east Austin. Also, with the new tesla batteries that be being developed, it is a big game-changer, if I can just explain in layman's terms, some of you may remember VCRs. These batteries will allow to you time shift the demand for electricity to parts of the day when it's not peak hours, which will be a huge cost savings for developing the grid.

[3:33:07 PM]

Sorry. Let's see. I worked some with Austin interfaith council and Sierra club in helping to develop their asks for the budget. I support them, specifically increasing the free weatherization program for low-income families. Affordable housing. The ... L.e.d. Program and buying batteries could be paid for by a small increase in the energy efficiency fee. Furthermore, I think we should spend more money to put water fountains, restrooms and showers in the downtown and university areas. I would like to thank you for putting the new recycle bins out in the downtown area. I would like you to expand that near the university area

[buzzer sounding] Where there is a lot of cans and bottles on the ground.

>> Mayor Adler: Thank you.

>> Furthermore, I support Austin public library and I think you should increase funding for the libraries in town. And also, there needs to be an increase in funding for atcic. I know that y'all kinda got sat in your lap the whole mhm thing from the previous administration at the state. And I don't think that y'all are doing enough for people that have mental health problems.

>> Mayor Adler: Thank you.

>> Suicide prevention and I think that that involves more counseling and less medication.

>> Mayor Adler: Thank you very much.

>> Thank you.

>> Mayor Adler: Thank you. Is Margo Dover here? You will be up over there. Sir? Your turn.

>> My name is Freddy Gonzales.

[3:35:10 PM]

This sidewalk issue on south Lamar and Lamar square, right where the ramp -- the ramp is at. The ramp is all messed up. So if they could please just fix that. Because they tore up the whole -- the whole sidewalk then they repaired it, and they never came back and finished the ramp. So they need to repair the ramp there. Lamar and marsh square. Thank you.

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

>> Kitchen: Thank you. Thank you for bringing that to our attention. Councilmember kitchen, over here on the end. There you go. I share our mobility committee and along with my colleagues on it, I will talk to our department our public works department.

>> Ok.

>> Kitchen: What they're doing right now is looking at all the traffic problems in that exact area. So I'll go ahead -- parking and other problems. So I will bring to their attention the problem with the sidewalk.

>> Because they tore the whole sidewalk, to put fiber under the ground.

>> Kitchen: Ok. Uh-huh.

>> They fixed the sidewalk, then they left the -- the ramp messed up.

>> Kitchen: Ok.

>> It is messed up. They never came back to fix it. So they've already gone, finished that project but they haven't gone back to fix that little ramp.

>> Kitchen: Ok. Thank you.

>> Thank you.

>> Mayor Adler: After Ms. Dover is Annie Harten here? Annie Harten? Is Ava Marquinn here? Ava Marquinn? Ms. Dover, you're first.

[3:37:11 PM]

>> Thank you, thank you Mayor Adler, Mayor Pro Tem and City Council members. Skill Point Alliance is here to strongly support the economic development budget remaining and the funding in place in 2014-15 with the help of the funding we receive from the City of Austin. We trained 205 adults. 83% of whom were working within 30 days of the completion of their training. 76% of them will never, if they came from prison, go back to prison. Many of all of them lived at 200% of -- below the fig. What I would like to say because of what I have been hearing today is something about incentives. Skill Point Alliance has been incentive neutral. Athena Health, we would not have the jobs for the low-income people that we train that are vital to them. Because of these large companies they're allowed to work many different shifts. They're allowed to work whether they are former offenders, transitioning veterans who have become former offenders or with many other barriers, they're hired and put on a path to not only receive benefits, which help move their families to self-sufficiency, but to have additional training and ongoing growth in their jobs. Small businesses, while we're proud of the work we do with small businesses, even when offered an incentive themselves, they get federal tax money back for hiring people with specific barriers, to jobs. Don't take advantage of that, because it takes a lot of wherewithal for a small business to support the needs of someone coming from poverty into perhaps their first job in a long time. It is important for Skill Point to again, remain perhaps incentive neutral and say we're grateful for the large companies that come into this community so we have places to send people to work.

[3:39:11 PM]

We thank you for your support always. In 2014-15, we served 18,000 people in the City of Austin. 15-16, we'll serve over 20,000 very proudly, all of those people, the majority -- I should never say "All" -- living in poverty with many barriers that many of us are blessed not to face every day, but those of us watching them face recognize are barriers but they're not the person. If you scratch the surface of any of the people that we serve, they're creative, thoughtful they have goals, hopes, dreams aspirations like anyone else. Without our programs and the help of the chambers and helping us recruit people from their communities, without the help of small businesses coming together under these chambers so they can be larger groups with stronger voices, we would not be able to reach out into all the minority communities which we are very proud we do. So we thank you for your support.

[Buzzer sounding]

>> Mayor Adler: Is Susan Pantel here? You will be the next one up at this dais. You can go ahead and proceed.

>> [Speaking Spanish]

>> Councilmembers and public of the public, good afternoon. My name is Ava Marquinn and I live in the Georgian area. We find out there is a budget item that will reach our area. In the name of my community, I'm here present to talk to all of you. We have a park close to Power Lane this park needs a lot of improvements.

[3:41:19 PM]

And we would like to ask you if you could please consider including some funding for remodeling the park. We see the need because we have a lot of children in that area. And we want our kids to be happy. In reality, we really don't have a park where they can spend time together. We want to see them happy. I want to see our residents happy as well. And why a park is important? With a park, we can help the development of our children, try to avoid gang activity. A park brings happiness and it brings family together. A park can make a big difference in the way the family live. A park helps the self-esteem of the children, and they help lift them up. Do any of you have children? Can you see the happiness of the kids when they're in a park? When I take my kids to the park, they're happy and rejoice. In the name of all the moms and dads of this area, I want you all to consider my words. I have seen many kids play, and it is not the right way that they're playing.

[3:43:26 PM]

They play hide and seek and they use fake arms like toys. And when we have a park, we can have, void that gang activity. That's why the park is so important. Thank you very much.

>> Mayor Adler: Gracias. Thank you. Thank you. The next speaker on deck would be Sheryl Bradley. Sheryl Bradley here? Yes? You'll be at that podium. Ma'am, thank you.

>> I first wanted to support what the last speaker just said, is that I'm hoping we can provide more resources to the parks and libraries in the regions. And take some of that money out of the new central library, because there is a big need in the district for the parks and the libraries. I also hope that you will take a hard look at the proposed increases in the utility bills, and especially the impacts on low -- lower-income people. The lower tier increases, the increases for the lower-tier uses especially impact low-income people and there is already a waiting list for the assistance program. And we have a lot of people on assistance. So I think we should really be looking at how the utility bill is going to affect, especially lower-income people. Another way we can help lower-income people and moderate income-people is with the moderate assistance program. And helping those people.

[3:45:28 PM]

And the low-income task force is working on recommendations to improve the efficiency of the programs. Not everything we have done has been the most cost-effective, but they're working hard to improve the programs. They have the benefit both of helping low and moderate income people with utility bills and also helping us with our power plan, which included 800 megawatts of energy efficiency. And I also want to support what several people have been talking about. We need improvements in the sidewalks and pedestrian safety measures. We're on track now to spend -- to take 90 years in tort complete our sidewalk program. I don't think that's reasonable. I hope that you'll set aside some money to implement the recommendations of the vision 0 task force. That should be coming out soon. As you know, also, we have had a record number of crashes this year, fatal crashes. And we really need to be addressing that. And I just wanted to make a little shoutout to the proposal to fund teen pregnancy prevention programs. I think if we put a little money into that, it will save a lot of money in the long run. And finally, I hope that you will look at the police budget and their request for increases. I'm not in a position to evaluate that [buzzer sounding] But I want to make sure that what they're requested is needed because it is taking money from other programs.

>> Mayor Adler: Thank you. Is Michael Lofton here?

[3:47:29 PM]

You will be next.

>> Good afternoon mayor, mayor pro tem, councilmember Houston and councilmembers, it is a pleasure to be before you this afternoon. I know you have had a long day. But I'm here to ask for support for one of the items listed on the concept list. It is the funding for the African-American youth harvest foundation. A recommendation that comes from the African-American resource advisory commission. One of the things I heard you say at your my brother's keeper meeting held at south by southwest Edu, was that Austin was listed as one of the most segregated cities. During your address of the city you said it was the most economically segregated city. I will agree with you on both. The reason that the African-American youth harvest foundation is so important is because it addresses some of those very issues. And it is located in a community that is segregated and in most cases economically segregated. The monies that would come -- if you would restore these funds and support Ms. Houston's line item there, it would actually support the workforce development program. And in the facility that the harvest foundation is in, across the hall from the workforce development is the Mac office. It runs -- it works hand in hand where we have families that come over there have employment issues and need jobs. They can walk across the hall and work with counselors and coordinators for employment. Not only that, but we have helped parents of the youth that are working with the organization to find employment.

[3:49:41 PM]

We reintroduce ex-offenders into the job market. I could stand up here all day long and list things that make this organization important to the community. I said once before, if you look at the African-Americans in the city, we are probably the only race that could be considered nomadic. We have lost one area of Austin, to the next area of Austin. If it is Clarksville. 2121 is gent riifying quickly. There is value that we have brought to this city this organization brings value to us, it brings value to our community. It is worth saving.

[Buzzer sounding] On that note, I ask you to please support councilmember Houston's recommendation. Thank you.

>> Is Paul Hershey here? You will be next.

>> City council members, first of all, I want to thank y'all for allowing me to be here today. I want to echo everything Mr. Bradley had said, remind me not to sit next to her with my notes, because she said everything I wanted to say. I would take it one step further to say, we really hope that you all would support the concept item number 1.2, if you would. I you could talk for days with the youth harvest foundation and the services that we provide. The loss of \$180,000 through the last rfp process really has taken its toll on the foundation. I hope that you would restore at least 100 of that. The workforce development is not just working with parents and kids coming in on a daily basis looking for a job.

[3:51:43 PM]

We work with all of the Travis county JP court. They send a number of kids and adults to us for truancy problems. We work with -- have full-time staff working inside the garden abets as kids transition out of garden abets, they come to us for mentors. We also assist them with employment opportunities. In addition to that, we're across the street from Regan high school. We work with a number of kids at Regan high school that is in search for career opportunities. So we're constantly working with the community, I'm happy to say that every year, we support the city and county in getting in excess of probably 75 to 100 youth employed through the summit youth employment program. But I -- I will pause on that. I think Sheryl Bradley has done a phenomenal job in speaking to the need for the city. But I would go one step further and applaud the mayor on his initiative as it relates to equity and the need for an equity commission. I hope that you all would support that. Of course, through the last process,

this rfp process. I had concerns. Out of the concerns, 12 nonprofits that received a decrease in funding. The average decrease is about 20% us being the only African-American nonprofit that was pretty basically on the entire list. Of the 12 that received approximately 20% decrease, we received a 52% decrease. Of all of the funds that were -- when you take a look at the nonprofits for the total 12, we received 180 K decrease. That was the highest amongst all 12. Then when you take a look at -- we were number 97 on that list. And we received 53% decrease, and there was another --

[3:53:47 PM]

[buzzer sounding] Nonprofit that was an item number. They scored 97 as well. They received an increase. So when we start talking about equity, how can you have two nonprofits, both score 97, one gets an increase and the other one gets a 53% decrease. And then we -- like I said, being the only African-American nonprofit on the list, it just raises concerns. It is my hope that you will take a look. I have a meeting scheduled with the mir in the next couple of weeks. We are impacts the community.

>> Mayor Adler: Thank you, sir. Is John wood here? Sir, you may begin.

>> My name is Paul hearsay. I'm just a residential taxpayer here in Austin. I'm here to share with you my political philosophy. That is a think government should provide at whatever level of government we're talking B at this case, the city. Should provide essential city service. That is police, fire, E.M.S., this type of thing. I have heard a parade of witnesses come up here. Don't get my wrong, every one of the requests are very worthy and very deserving. I think they should best be handled by social welfare agencies or foundations, this manner of thing. It is not up to the taxpayers to fund anything other than essential city services. And Yo -- you know, I have lived here 30 years. I have heard arguments here about appraisals here. The appraisal is high. If the appraisal go up and justifiably go up because that is the real value of homes then the tax rate should be lowered. If the appraisal goes up, you think there is more money to spend and put under the Christmas tree.

[3:55:53 PM]

I guess I'll be a disgruntled taxpayer until the end of my days because I would like to see taxes come down. And because -- the witnesses here have been worthy, but I think we ought to focus on just keeping our tax rate low and the tax tape low. And I would point out that this year as you're probably aware is the most vulnerable is those on fixed income, social security recipients or those exclusively or largely on social security, they're not get raise this year. If you are raising taxes, what about them. I think you should think about the more vulnerable members of community is not right. Taking more money from them is not right. Again, I wish you would focus on that. I would like to point out all the alternative energy ventures and investments and everything, I where she you

-- I wish you would look at it from a cost efficient point of view as well as alternative energy. I think natural gas provides a very good form of alternative energy, in the sense it is clean burning and efficient. I hope you would consider the cost of all the investments in alternative energy you are taking and compare that to natural gas. Consider that. Again, please keep in mind the taxpayers and what we have to pay here and how it has gone up every year. It is getting outrageous. That is what I have to say.

>> Mayor Adler: Thank you. Sir? I'm sorry. Mrs. Gallo.

>> Gallo: I want to say thank you to the previous speaker.

[3:57:55 PM]

I agree. The increasing tax bills from year-to-year to year have really provided both unaffordability for our senior and elderly population who are on fixed incomes. When we talk about things to support we

need to support that population, particularly the senior part of our population which stabilizes neighbors in the neighborhoods because those are people who have lived in neighborhoods for a long time. So part of the process, I definitely will be bringing forward some additional text relief for that population. I appreciate your comments. Thank you.

>> Mayor Adler: All right. Sir, you may go.

>> I would like to thank you Mr. Mayor and the city council for having this open forum. It is odd how people with the same ideas and maybe a possible different slant tend to pile up together. I will echo what the previous speaker said. I have been a resident here 23 years. I came here from a city that had an unusual agenda, Boulder, Colorado. I left there because I was priced out of the market. I have a story about a friend of mine priced out of this city. He started buying a house at \$23,000 in the 60s. Now his tax bill is \$24,000 a year. That is absurd. There is no reason for him to be punished for -- for fiscal policy that does not take retired people into account. I can't tell you the changes I've seen in Austin in the 23 years I've been here. I used to be able to park for free almost anywhere in the city. That is impossible now.

[3:59:57 PM]

The average citizenry along with me, have given up on downtown Austin because it is just too expensive. It is not only the cost of a parking lot, but the chance of parking your car, if you make a mistake you are given a high-dollar ticket. That is a disincentive to stay here in Austin. I love this city. I chose this over every city in Texas I could live anywhere I wanted to in a six-state region, but I loved Austin. Now, our taxes have gone up by 14% this year. Of course, it is capped at 10%. That was after we contested the appraisal. The appraisal all goes up and up the scale. Retired people and people on limited income can't afford it. You can reapportion money, give it away back and forth, back and forth, but it doesn't fix the problem. The problem is this city needs to have the lights turned on, the cities without potholes that we haven't managed. We have to get people in and out of the city which is impossible on many days. These are chronic problems that have not been addressed in the 23 years I have been here. I wonder why. I wonder why it's impossible. Because they're very simple problems being handled by cities all over the country.

[Buzzer sounding] There are cities that choose not to. I wish you would consider the importance of keeping the lights on, keeping the cars in and out, and keeping people happy in Austin to stay in Austin. Thank you.

>> I want some speakers are still not here's or choosing to speak.

[4:02:09 PM]

Joanna, cross darvon. Melanie Boyte. Hoover Alexander. And I think Paul we've already called on. Paul hearsay, I think already spoke. Those were all the speakers that we have. Um ... Do we move at this point to close the public hearing. Is there a motion to close the public hearing on the budget discussion? Is there a motion to close the public comment portion of the hearing? And schedule adoption of the -- let me start earlier on the script, now that I see that I have one. This concludes the public part of the budget hearing. Required by state law, we're going to vote -- not today -- we're going to vote for the 2015-2016 budget on September 8, 2015. If we do not adopt the budget on September 8, we will continue the hearing to Sept. 9 or 10. The meetings will be here at city hall, 301 west second street in Austin, Texas and begin 9:00 A.M. September 28, 2015, continuing if necessary, into Wednesday September 9, 2015, and Thursday, September 10, 2015, all at 9:00 A.M. Is there a motion to close the public comment portion of the hearing and schedule adoption of the budget for September 8, 2015, to be continued to September 9 and 10, if necessary. Mr. Renteria so moves. Is there a second, Mr. Casar.

Seconds. Any discussion? Those in favor, please raise your hand. Those opposed. It is unanimous on the dais. With Ms. Pool and mayor pro tem off the dais.

[4:04:13 PM]

The public comment part of the budget hearing is now closed. I'm now going to hand out a different version of the chart they handed out earlier. This has been updated a little bit. It has a star on top of it. I blue star so you can differentiate this from the one I handed out a little while ago. Manager, thank you for traveling back in order to make this. You made it just in time.

>> Good.

>> Mayor Adler: So what this is, is just the concept menu. It is broken out by categories. From this point forward, the budget office is taking over this mapping by category. If things are in the wrong category, they're my fault. If the wrong name is next to them, it's my fault. But I think it's pretty close. I think the intent in the conversations I have had is for us on the dais to be able to start talking through issues. We're really going to be talking about this on the first, when we have our budget deliberations. The purpose today was not to vote or decide on things but for everybody to leave the dais at the end of today as we go into Friday and the weekend with hopefully a better idea of what was important to colleagues on the dais. You will see that is what is in front of you is concept menu items without editorial comment but groups them by different categories. One category is employees and benefits. It breaks it down into budget increases, budget reductions.

[4:06:18 PM]

The next one is parks open space. Next one is public safety. Then I have fees. I have utilities. I have financial policy. And then the quality of life issues that have come up. Economic development. And then health and human services, social services and education. I'm going to call up one of these areas now to see if anybody wants to talk about any of these areas. I will just start with the one that's first. Which is employees and benefits. Anybody want to talk about this area? Mr. Wrim Zimmerman?

>> Zimmerman: I have a format question, if I could, first. I was given by my staff this particular format of the concept menu, which I thought was more useful, much more useful than what I was just handed. It has, you know, information on it in terms of the date when it was first submitted. It has some potential - who the cosponsors. The sponsor, cosponsor. I thought that information was helpful.

>> Mayor Adler: I think the next time you see this, it will have that information on it. It is the same chart. If you look at any particular item number, it corresponds to the master list. Do you have the master list?

>> Zimmerman: It doesn't. Oh, it is broken out. I see what you did.

[4:08:19 PM]

>> Mayor Adler: I thought that rather than talking about any one particular solution to how we work the salary, I would group all the salary suggestions that people had made together so they were close. But it is exactly the information that was on the master list, except it does drop the columns on the end that said who did what. I thought that -- we don't have to do it this way, if someone wants to do it differently, but to have a conversation about subject areas, I thought might be better than trying to have a conversation about the concept menu, have asked to talk about the employee pay raise. The manager proposed a 3%, across the board, pay raise. There are people that have proposed in that area different ways to treat that 3% pay raise. Some -- one idea is to lower the increase, I think, to the 0.8%. There had been a proposal peg the proposal at the front. There was a proposal to tier it and move it to 0.8% in the upper tiers. Anybody want to discuss that issue? Ms. Houston.

>> Houston: When we talk about temporary workers, do we know if they're retired state employees who have come back to work?

[4:10:23 PM]

>> Do you want to speak to that or do you want me to.

>> Mayor Adler: Mark, come up. There might be lots of questions and this would be your area, if you would kind of stick with us.

>> Tovo: Mayor, if we're going off your worksheet --

>> Troxclair: If we're going off your worksheet are we going in order.

>> Mayor Adler: I would like to keep in play anything that relates to this, but if somebody wants to put out an area that supports colleagues say I'm not considering anything that looks like this, now would be a time to let others know what you are thinking. Because we haven't talked about these we don't know where people are. We have to start talking about these. I thought it would be better to move into it before we vote on specific proposals. In part, it might be because the proposals that people want to propose may be changed or modified by the conversation that we have and I'm thinking that this might be a way for us to get there more quickly than going through a series of emotions and amendments when topics are first brought up. Ms. Gallo?

>> Gallo: Can I ask an overall question as we start into this discussion. This would be a budget, if you don't mind, so if we take the proposed city manager's budget, how does that affect the median priced homeowner's tax bill? Would it be an increase from last year, reduction from last year, I want to understand, we're starting with a proposed budget and having this conversation, I want to understand where we were with the proposed budget and how that affects the median homeowner's tax bill.

[4:12:27 PM]

>> Based upon the certified tax bill received funding, based on the certified tax roll received on Monday, based upon updated median value homestead that we got from tcad, there will be a \$12 decrease in the tax bill relative to fiscal year '15. For that median valued homeowner.

>> Gallo: What percentage of the bill would that be, what percentage decrease is that from their bill.

>> I could get that for you. The current bill is about \$1,000. It is not a large decrease percentage-wise oil .

>> Gallo: What is the median?

>> The median taxable value is just over \$217,000. 21767. That is after the earlier loam -- homestead exemption.

>> Gallo: Ok.

>> Mayor Adler: My understanding is -- correct me if I'm wrong -- that this tax rate you talked about that has us lowering rates, both rates and the absolute taxes for the median homeowner, on the way the budget works, at this point has about \$5.9 million that has yet to either be dropped from the budget with a further reduction or that's allocated. There is 5.9 million for expenses that is yet -- that is not allocated. About \$867,000 in one-time expense that is not allocated. Is that correct.

>> That's correct. We summarized that in a memo sent out last night. We received two new sales tax payments, new actuarials.

[4:14:31 PM]

The net effect of those is 5.9 of the funds to be allocated --

>> Mayor Adler: The 5.9 is recurring.

>> Yes.
>> Mayor Adler: Nonallocated.
>> Not allocated.
>> Mayor Adler: And 567,000 is in one-time nonallocated funds?
>> That's correct.
>> Mayor Adler: Ms. Tovo. I'm sorry.
>> Tovo: If I could clarify for myself, what that means is starting exactly where we are right now, with the proposed budget we have a --
>> Kitchen: \$12 savings based on the median priced house and additional 5.9 million to spend if we reduce to or reduce the 12 more and we have -- on top of that we have 867,000 for expenses.
>> Mayor Adler: Those are not allocated. They're allocated as spent. We can allocate it or drop it out. If we drop it out, it would result in either more money going to reserves or a lower tax rate.
>> Kitchen: Uh-huh.
>> Where is that in the budget presentation? Where is the nonallocated amount?
>> Mayor Adler: It used to be allocated but the memo we got last night, because of the Numbers that had moved, because the total property value had come down, there were certain things that happened because of that. And certain decisions or changes that the manager made between the time he came to us and now that became staff amendments to the proposed budget. There were changes in the sales tax, estimated change in the police retirement system construction change and transfer to contingency reserve.

[4:16:37 PM]

The transfer in the economic incentive reserve fund. Those things then result in money, revenue that is being collected at that tax rate that is not allocated.

>> Maybe if I can clarify from a process perspective. September 8, staff will be bringing forward the proposed budget you have had since July 30 and we will offer amendments to staff's proposal. We do this every year. Sometimes it might be that we received a grant, a federal or state grant after the budget was delivered to you. We'll offer an amendment to the proposal to reflect that. In these particular cases we have received -- actually revenue, received two additional sales tax payments that came in significantly higher than we estimated they would come in at since we put it together. We will recognize the additional revenue but it will require council accepting the amendments to our budget to move them forward.

>> Mayor Adler: Mr. Renteria.

>> Renteria: Let me understand this, on the concept menu, like employees and benefits. If we was to go for the establishing a new living wage at 1303, the only deduct is the 1.2 from the general fund. The rest is enterprise-type funds?

>> Mayor Adler: Yes. I think the other funds recognize other budgets. I think they're general funds and the others are the enterprise funds.

>> Renteria: That would be deducted from the 5.9 million.

>> Mayor Adler: If we allocate that, there would be that much less in unallocated money.

>> Kitchen: The other funds category, what is the impact of the other funds category.

[4:18:41 PM]

It is still in the budget, right.

>> Mayor Adler: Yes.

>> Kitchen: It is an additional amount we're adding to the budgets what, is the impact?

>> Which?

>> Kitchen: Any of them.

>> Mayor Adler: We took the first one as common example. If we adopt the first one, the general fund go down we by a million two. What is the impact if we adopt that \$507,000.

>> That is where some of these are complicated. The \$507,000, the other funds are Austin water, arr, all of those combined. If council were to choose this action, it is spread out between all of them. We may come back and say as a result of that, the Austin recovery rate may go up a nickel or something like that. We try to keep them separate from the general fund, which by state law the general fund has to be balanced. We will bring forward a balanced general fund budget. The 1.2 million has to be offset somehow, somehow through the expenditures. On the dollar amount, they may have the flexibility on the ending balance to absorb the cost like that. As you are having these discussions we will work with the enterprise department to determine if we have a rate impact or keep them elsewhere to keep it structurally sound. They do have the ability to run in a deficit if they need to, if they have the ending balance to do that.

>> Mayor Adler: Part of the purpose here, is as we get to things that we think there is a critical mass of people that are supporting, the sooner we can go to staff and say it looks like a lot of people, don't know if it is a majority, maybe we do. A lot of people are interested in 1.02, how would that shake down with respect to how we move the \$507,000.

[4:20:41 PM]

The goal here, if we can is to get as many of those questions to staff earlier than midday on September 8, as we can. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I want to follow. I think this is a great idea. This is our first budget cycle, so it makes sense to look at the process questions. People do get confused with the way money is circulating between enterprise funds, utility and back to generalized funds. In a way of more clarity. Why don't we tackle this. And I ask my colleagues to say for the clarity of process, I would like the council to say stop some of the transfers and have the money show up in the general fund instead of having it being transferred to departments out of utilities. Can we just decide on that? That would add a lot of clarity to the process. I think councilmember troxclair put it out and said stop the transfers from Austin energy and just have the money show up in the budget, in the general fund.

>> Mayor Adler: All right. Ms. Tovo, you want to -- are you -- are you suggesting Mr. Zimmerman that we breakdown the enterprise funds at this point? I guess one option would be for us rather than hitting the enterprise fund by 570. It is one option instead of hitting the enterprise fund by \$507,000 we will move it out of the general fund and move it to whatever the appropriate enterprise funds were.

>> Zimmerman: What number --

>> Mayor Adler: Still using 1.02.

>> Zimmerman: Say again the number on the concept list.

>> Mayor Adler: 1.02. At the very top.

>> Kitchen: Could I comment on that?

[4:22:41 PM]

Or do you want -- do you want to finish your thought?

>> Mayor Adler: I was saying that one, in addition to having it trickle down and recalibrating the enterprise fund, another way to do it is say we will move \$507,000 out of the general fund into one of the enterprise funds. We would in essence be increasing the allocation for one of the enterprise funds. Can we do that?

>> I may be missing the point of the conversation here, but the \$507,000 for the other funds, that is the dollar amount associated with the temporary staff in those enterprise operations, there is no money coming from the general fund or any other transfer associated with it.

>> Mayor Adler: What if you wanted to pay the 507,000 you're increasing what the employees in all of the departments need to be pay by \$507,000. Your answer to how that could be paid was to find the budget in that enterprise fund to pay for it or increase the fee in the enterprise fund to pay for it? Could we move \$507,000 out of the enterprise to the general funds to cover the same expense?

>> You could.

>> Mayor Adler: That is all the point I was making. I mean, it would be inconsistent with how the enterprise funds are set up because they are paying for themselves. In answer to Mr. Zimmerman's question, as I heard his question, it is money that has to be paid. It will come from somewhere. It will come from inside the enterprise budget, from fees associated with the enterprise fund or conceivably it could come from the general fund, moved into accounts to pay for that expense.

>> Mayor, if I could, by the very nature of what an enterprise business is, if you were to do this, increase the living wage to 1303, for the enterprise operations, that increase would simply become a cost of doing business for them.

[4:24:42 PM]

That increase.

>> Kitchen: Yes.

>> That's the nature of an enterprise operation and they're self-sustaining. It is like any cost that goes up for the operation. It is the cost of doing business. This decision would increase it for personnel. I don't want why we would subsidize a cost of doing business by allocating general funds to it.

>> Mayor Adler: I wasn't advocating that. I was given a response because it is inconsistent with how we set up surprise funds. I was trying to answer Mr. Zimmerman's question. Mr. Zimmerman in essence was asking the question should we have enterprise funds.

>> Zimmerman: The question is around item 2.14. If you look up 2.14 on the sheet. That is what I am referring to. Not 1.02, but 2.14. The pages aren't numbered but it is like towards the last of the booklet.

>> Mayor Adler: He's looking at the master sheet. I'm sorry. Where is it? I'm sorry.

>> I'm trying to number the pages right now.

>> That's the one that relates to the transfers into the economic development department. I kind of -- well ...

>> Mayor Adler: It is in the economic development section, which is ... I think is at page 19, four or five pages back. We should have numbered these.

[4:26:44 PM]

You want to ask your question Mr. Zimmerman?

>> Zimmerman: Hang on a second.

>> Mayor Adler: The third to last page.

>> Zimmerman: That's correct, it is page 19.

>> Mayor Adler: To eliminate Austin water, resource support for economic development with \$11 million.

>> Zimmerman: The 11 million, to kind of correct the accounting, to have those transfers, to not have the transfers coming out of utility bills you but just have the money appear elsewhere in the budget or make it an increased demand in the various funds.

>> Mayor Adler: The answer to the question in the process standpoint and I think we can move on, is at

some point we could -- one, there could be two places I think you could raise that. One would be a general question about how we do enterprise funds, but with respect to this particular charge, I think because it would happen in reverse inspect is a charge being charged to the enterprise fund operation. I guess what I would rather do is this, without talking about what is the technical impact of where the money would come from if something was made, what I would like to have is a broader conversation about economic development. So I think when we get to economic development, one of the questions we can talk about is whether or not we should be funding economic development as a city and where we should be funding that, if we're funding that kind of thing.

>> Zimmerman: Ok that is fair. Just to make sure we revisit this exchange of funds.

>> Mayor Adler: We'll get there. Before we dive that deep in technical stuff let's -- Ms. Tovo and Ms. Kitchen.

>> Tovo: Since we circled around this a few times, I don't regard that as a technical issue. I think the question of whether or not Austin energy is going to provide a transfer, continue to provide a transfer to the general fund is a subject, mayor as you suggested earlier something we need to spend a lot of time on.

[4:28:56 PM]

We have a lot of research that we can look to that was prepared during the rate case of the practice of utility companies and the relationship with economic development and our staff did a white paper and looked to other utilities and did a lot of comparison data. And I am strongly persuaded that our utilities should help support the other services of our budget. So I just -- I'm getting increasingly concerned that we're going to spend a lot of time trying to tease out what is a pretty major policy discussion here in the middle of our budget. I want to say for the record, I agree with your suggestion, mayor, that we take that up, after the budget and outside the budget and in the context of Austin energy separately.

>> Mayor Adler: I think where it comes from, I agree with you 100%. And maybe that is a good place for us to start on an issue that we can tee up, because people weren't jumping into the one that I Teed up. I'm fine with having a conversation about whether or not from a policy standpoint we want to fund economic development so people can know where other people are on the dais for that. Because I would be supporting continued funding of the economic development activities that we do. So as I look at proposals that other people have made, I, for one, at this point, in the budget process, will not be supporting cuts for economic development spending. Because I think it is important for the city. I think one of the reasons why we're able to reduce the taxes -- not just the tax rate in this city -- is because of that kind of activity. And I would like us

>> Mayor Adler: when I would like us to be able to do that even more than we do. I think we have to be really careful about how we do that and how we grow because I think there's real important parts of this city's spirit and soul we need to protect but I don't see them as being inconsistent and I would not support cutting economic funding.

[4:31:06 PM]

So --

>> Tovo: Thank you. And I just wanted to echo that I -- as we -- I think for me where we go next depends on how long we're going to spend having this conversation today, but I liked that you started with wages and employees because there are several very, very different proposals on the table, and as we move into the the weekend, I'd like time to really understand what the different proposals are that my colleagues have brought forward so I can kind of think through them. So I -- obviously, the will of the group will determine where we go, but I'm very comfortable starting with wages, again, because there

are such very different proposals here on the table.

>> Mayor Adler: And there are. Jackson I wanted.

>> Kitchen: I wanted to suggest we start with employees and benefits soaks. I can start by speaking to the three that I put out here and then maybe each of us could speak to theirs and talk about different ones.

>> Mayor Adler: All right. Let's get a -- okay, before you go, let's get the buy-in on that process. My hope is that we'll get through each of the big nine areas, things that people want to talk about and I'd like to get into actually discussing those as quickly as we can. I'm fine starting with the employee deal too. Yes.

>> Troxclair: I'm happy to go back to wages but since there was a whole discussion on one of the proposals that I brought forward and I didn't get a chance to speak, I just want to reiterate, again, especially since there have been comments that have been made that had to do with whether or not we're funding our economic development department, that's not what the proposal was about. This proposal was about how we fund our economic development department. And in my opinion, you know, again, when people are paying electric bills they don't think it's going to fund the economic development department. I think they assume it's furnishing providing their home with electricity and water. By putting this proposal forward, I understand it's a broader policy conversation, I understand if we want to have it at a different time but I don't want it to be mischaracterized as an department to complete defund our economic development department where even if we did move forward and adopting this proposal there would be nothing stopping them from moving money from the general fund and funding our department that way.

[4:33:26 PM]

>> Mayor Adler: Right. I didn't mean to characterize your proposal. Some of the other proposals were -- seemed to me as I read them -- I could be wrong -- had decreasing numbering to some of the -- some economic activities that we had and it was more that I was speaking to. Let's do this. We're going to get to economic development in a second. Let's start with the employee issue first. And let's talk through that issue. And then we can move to other issues. Ms. Kitchen, you want to tee us off?

>> Kitchen: Okay. I will start --

>> Mayor Adler: By the way, the attorney wants know announce that we are in conversation on item number five on the agenda. That's what we're discussing now. Ms. Kitchen.

>> Kitchen: Okay. I can speak to items 1.05, 1.06 and 1.07 because they're alternatives and this has to do -- and they're very closely related to 1.02 and in fact they may be something that we -- that if it's the will of the group we may want to combine. I'll speak to those few, and then perhaps if councilmember Casar wants to speak to 02. Basically, at a higher level, the problem is that I'm trying to address is that our temporary employees do not have -- are not offered health coverage, and in some of them -- some of them don't have access to health coverage in any other way, and we know that based on not only the survey that have to -- I have to say thank you again to the H.R. Department for doing, but not only based on the survey that they did, but just our understanding of the status of health insurance in the community and the impact of the health exchange. So we do have employees that are working for us who cannot access health insurance. Those are temporary employees.

[4:35:26 PM]

And so I just threw up a couple of approaches, different approaches, and they're intended to be alternatives, and they're based on, you know, what level -- or, you know, what temporary employees we might want to consider covering, whether those be -- whether those be part-time, full-time, based on how long they've been temporary employees. My perspective is that someone that's been a temporary

employee over 12 months -- and I could also argue over six months, that's really not very temporary anymore from my perspective. And so that's where I'm coming from and putting in putting these forward as potential approaches to how we can make sure that folks that are working for us have the benefits that are critical for them to live. Do you want to --

>> Mayor Adler: Mr. Casar.

>> Casar: I understand that this comes with a cost for the -- bringing the temporary employees up to a living wage as well providing the health care benefits and he it's for that reason that I've asked assistant city manager Washington to put together alternatives for us that might bundle these together. If it were up to me I would certainly be very supportive of the living wage and full health insurance for everybody once they are a temporary employee or perhaps I could be convinced at three or six months but I also understand we're going to have lots of priorities, and so I've asked for options that will be coming forward soon that if we find a million dollars in funding or \$500,000 worth of funding what sort of package we could get so that we can set some sort of standard to move forward, somebody -- move forward on. So perhaps by the the next -- by next week and perhaps Mr. Washington can speak to this, we can have these sort of bundled together so we know what it looks like -- it looks like might have new information for me here today.

>> Thank you so much. Mark Washington.

[4:37:26 PM]

We're in the process of estimating kind of taking the -- best of both concepts. If we were to develop a total reward package for temporary employees at six months, what would be the benefit for those who were at six months and could they get a increase in wage based on seniority, if you will. And we have some early estimates. We have the insurance costs pretty much as it is indicated, we are finalizing the review of what the wage adjustment could be at six months. And I don't want to be to premature in sharing that number yet.

>> Casar: I won't force that. That's okay. We'll find out soon enough. And I think another reason that this is a priority for me is we see in a lot of the budget that there's requests for temporary employees. I don't want to indirectly incentivize hiring more temporary employees because it is cheaper so if we set the standard that once you've been a temporary employee you're going to be getting some level of healthcare and wage benefits anyway, that will lead our departments to -- guide our departments to hire full-time employees when that work is going to be full-time. And in response to councilmember Houston's question about who some of these temporary may be, I'm sure we can get some of that data from Mr. Washington, but in my own experience here at city hall, some of the staff we interact with on a daily basis or or have been temporary employees. I know some temporary employees that serve me at some of the parks I go to, one of whom is my age, has a child that they support. So these are people -- oftentimes people that don't just work a couple of months but really are employees of the city and I want to thank my colleagues for considering a way that we can raise that. That's just been my experience, but I would love to know the information, councilmember Houston, about, you know, really who these are all.

[4:39:28 PM]

>> Houston: Thank you for circling back to my original question, which was about 15, 20 minutes ago, can we find out, because most of the people I know are retired city employees that have come back. So he can we find out how many of those are in the the temporary category?

>> City employees that are retirees, I thought I heard a question being stated.

>> Houston: I'm sorry. I meant city. I worked for the state so long, state is in my vocabulary. City

employees that returned to work.

>> Speaker2: I think we can get that in quick order if I can get that from staff.

>> Mayor Adler: By way of modeling this conversation so that you have the the weekend to know where I am and because I think if staff would get the feeling that there was a large group of people that were interested in that number, then that would make that one of the things that they would in fact spend time against. I'm also interested in this because it kind of rubs me the wrong way that we have people that are working here so long and are still called temporary employees and for all the reasons that you gave, from a budgetary standpoint I would like to know what the six month, specifically month points are, we can extrapolate other points. So those three points are helpful for me, but this is something else that I think would be good for us to do. Ms. Pool and then Ms. Tovo.

>> Pool: This may be a follow-on policy conversation or maybe we can have it during budget but I'd like to have a conversation about how long our temporaries remain temporaries. Maybe we have -- maybe we have a policy decision where we limit as long as a person could be a temporary until they convert to a full-time and that would take out the disincentive to keep people on as temporary. Because they would cycle into being full-time. Depending on how we go with the health insurance, maybe that's just another question that we raise, is why do we have temporaries for so long and shouldn't we maybe have some kind of a change to that.

[4:41:30 PM]

>> Mayor Adler: Okay. Ms. Tovo.

>> Tovo: And I thought there were some new policies governing that.

>> There are. There are existing policies. We have several categories of temporary workers. We have those who are project workers, would be may be part of -- who may be part of a short-term, long-term project, it be we predefine it over a couple of years they can get preauthorized to work full-time, 40 hours a week, for that project duration. We try to ensure that temporary employees ideally would be less than six months part-time, temporary employees. Once they hit the six-month limit they're reevaluated. The department has to justify the need to extend them for another six months and that's done between the department director and human resources department. And beyond one year, the request elevates to the city manager office and the assistant city manager has to review the request from the department and justification. At the point that a temporary employee remains one year, all departments are encouraged to request, it be they see the knee -- if they see the need being long-term, funding in the proposed budget. Some of those you've heard in this year, however those positions are not always fund sod the departments, if the position is not funded, the work still remains, they go back and try to rejustify the need for a temporary worker. There are some employees that choose to be part-time, less than 20 hours a week, and there is no limit on if you work less than 1040 hours within a 12-month period it may just be secondary appointment and, therefore, I think you heard one of the employees that worked years doing that and it was only until he lost his primary job he wanted to really consider his employment status.

[4:43:31 PM]

So there are guidelines. Certainly if you're a retiree you're not permitted to work -- by state statute, we cannot work a retiree more than 29 hours a week or over a 12-month or they will either have to forfeit their retirement or stop working. There are pretty strict guidelines we have in place.

>> Tovo: So I have a couple of questions, and I think this is probably for my colleagues. One, I want to say I think these are important issues and I'm very supportive of finding room for them in the budget. I think we need to look at the living wage for temporary employees and I think we need to look to

providing health insurance. Since there are a few different levels here I want to -- some general questions. Are these -- when we're talking about temporary and contract workers, are we talking about the summer youth employees too or just the non-summer youth employees? And is there any way to factor out -- especially since there may be a move toward doing one of the options that is a length of time like the six month or 12-month length of time I've occasionally heard concerns and I won't name departments but concerns that a particular -- in particular departments they may work for six months and not work for a month or two and come back on for six months. So if we didn't opt for full health insurance coverage but did a 6-month or 12-month, how do we factor that? Do you have data? We've got so much information I'm not sure we've had that broken out. Is there a way to figure out whether they've worked a fair amount of time over a three-year period that would suggest that they really should be included in this pool. I guess that's for my colleagues or Mr. Washington, whoever wants to jump in.

>> So your first question about the summer youth employment, the costs that you have before you excludes coverage for summer youth employees and so those are all the, if you will, Normal temporary workers outside of summer replacements, summer youth programs.

[4:45:46 PM]

Relative to the eligibility, if it were, for instance, a six-month period or 12-month period, the John on boarding and off-boarding cycling of employees I think is a derivative of departments trying to comply with our stringent policing of trying -- policy trying to control the amount of time temporary employees are on board and some are trying to justify, as I mentioned earlier you have to do the rejustification and so if there's a separation for a certain amount of time, then reevaluate the time the employees work within a 12-month window so that allows them to come on board. As I've talked through this concept of providing benefits for temporary employees, it has been with the understanding that anyone who has worked consecutively in a six-month period would be eligible.

>> Tovo: But because of the phenomenon you've described in departments not want to go come forward and justify those positions, I don't want to give yet another reason why they might want to cycle an employee on or off if we've adopted health insurance provision that's only kick in at certain levels of employment. So I don't know. Maybe those of you who have been working on this issue have a resolution. Maybe councilmember Casar does, because he has his hand up.

>> Mayor Adler: Mr. Casar?

>> Casar: Mayor pro tem, I've thought about this for some time as well because I have heard that sometimes some anecdotes about people at 11 months leaving the city and coming back a few months later. My hope is that considering this is the budget, that we set that standard in the budget about the wages and healthcare and then work with Mr. Washington to hear either administrative solutions or solutions brought forward by the council to deal with loopholes or perverse incentives which we might create, which I think that's kind of something that human resources can and should be equipped to deal with so I would see those as separate, that we should set sort of the standard and then if there are people who get -- who miss out on those sorts of wages or benefits because of the phenomena you described, I think that's something I have a lot of faith our human resources department could deal with or council policy could handle.

[4:48:18 PM]

But I would -- I don't want to not pass the policy because of that and then at the same time I understand that perhaps we could say if something has worked a certain number of months within those few years, and that's a question that I had a brief conversation with Mr. Washington about and of course the

administrative burden of handling that I would imagine is pretty heavy but we can have more conversation about it. Because if it's not that administratively difficult I'd be supportive of that as well.

>> Tovo: I was certainly not suggesting that because there may end up being loopholes we shouldn't do it. I'm wondering if crafting it differently might keep us from ending up with a loophole.

>> Casar: Right. I think that we may -- that both ways could help avoid loopholes, but no matter what, I think loopholes can sort of pop up in places you don't expect so I would just hope we pick one or the other, one of those two options and then work with Mr. Washington to address anybody that's falling through the cracks.

>> Mayor Adler: Let me also suggest by way of modeling since we have lots of pages here to go through and I want people to have a few as they go to the weekend where we generally are, that we don't try at this stage to figure out how to execute any one of these but to have a broader conversation just to feel where people are. Profit margins.

>> Zimmerman: I'm glad you said that he. This is a very useful conversation, it's how policy affects budget so it's absolutely germane. Let me ask my colleagues, on this question of employment and budget, it seems like now would be a good time to get a sense or even to vote, say is this council willing to increase spending on salaries in some form, temporary, permanent, whatever it is? Are we willing to increase the manager's proposed budget, there's a number here of how much we're willing to spend on salaries.

>> Mayor Adler: Right. We broke that into pieces. The first piece was kind of the insurance element.

[4:50:20 PM]

>> Zimmerman: Right. Let's lump all that in, salary, benefits, pensions, the whole package of what's connected to employment. Are we willing to increase that spending from what's proposed now? Or can we take a vote to say we're committed to potentially decrease that spending and reallocate it is? Is there a way to get a vote --

>> Mayor Adler: For me it's not a simple a question as that because there may be some other reduction elements that I support and some of the additions I would support. I mean, I would like for us to be able to take a look at, depending on other priorities, having insurance benefits for people that work for us temporarily at least temporarily for such a long period of time that they really don't look like temporary people.

>> Zimmerman: But is it fair to say --

>> Mayor Adler: But on balance, on balance, I don't know because we'll talk about the salary issue here in just a second, and I think I come down potentially on a different side with respect to the salary issue.

>> Zimmerman: But is it not fair to say, it be if we lump all the things we're considering in terms of salary and benefits, put those together and say either we're going to increase that spending with options on the table or we're going to decrease it with various options we have, right? We either increase or decrease, when it comes to salary and benefits. Can we take that vote? Is the council committed --

>> Mayor Adler: I think we're not trying to take votes here, but I think -- so we're trying to get the sense of where people are. I would say that I'm in favor of increasing the money potentially for insurance benefits. I'm in favor of increasing the money for living wage for temporary employees also that have been working for us for a considerable period of time, that with respect to the salary issue, you know, I'm generally, I think, in support of the 3% that the the manager proposed. But I probably would be gain to consider phasing that in in some of the proposals that we're looking at different treatments of that temporarily. I'm in favor of the cost of job issue, the -- where the salaries we have that are below market, I think the city should bring those up.

[4:52:29 PM]

I'm amenable to considering delaying that, you know, a month or some period of time from what the manager said. I think those are generally the proposals. Is that what you wanted, that kind of thing?

>> Zimmerman: I think the simple answer to my question is no.

>> Mayor Adler: Well, it depends on what those things are relative to one another.

>> Zimmerman: Right. But some of it you're talking about shifting, right? We take a total amount of money and we allocate it.

>> Mayor Adler: I think that's an unfair characterization of what I said. What I started off saying was there is no simple answer to that because some might go up and some down, depending on how they were executed and I'm not sure how that would play out. Does anybody else want to speak to that issue? Mr. Renteria.

>> Renteria: I just want to get back to this. I'm kind of confused on what's -- you know, here we say on 1.05 we're going to provide health insurance to all temporary contract workers at 1.15.6, 1,000,536 dollars. How does the other two fit into the one on top? I mean, I can't understand. Then you've got 106 and 101, one is 12 months and six months. What's the difference between the 12 months and the 105, where it's -- regardless of length? Is that two different entries there?

>> Yes.

>> Mayor Adler: They were alternatives.

>> Renteria: So 106 doesn't say alternative that's why I was trying to --

>> It should, yes. It should say alternative, that's right.

>> Renteria: Alternative, okay, thank you.

>> Mayor Adler: In fact I think you could probably look at each one of these line items potentially as an alternative.

>> Kitchen: Yeah, that's hopefully we can get that fixed on the concept menu, but 106 is an alternative also.

>> Mayor Adler: I see, I see the question now. Yeah. But what do you think, councilmember Renteria? What do you think generally about cutting insurance -- increasing insurance for temporary workers or --

[4:54:33 PM]

>> Renteria: I support that. I was just trying to make sure that, you know, the Numbers -- I'm trying to add up all the Numbers and if we're going to go with, you know, adding all this, how much money do we have left over, you know, to work with after we take in, you know, all the employees. Because -- and their benefit. I think it's very important that we fund this area, you know, we use our money wisely and support our employees because if we don't have -- if they're not -- if we're hiring people and not giving them the opportunity to have health insurance then all we're doing is -- you know, if they get ill they're going down to the emergency room or, you know, find some alternative or just stay sick, you know, and we need to look at that because that actually increases our costs if we have to, you know, take care of them at the emergency room.

>> Mayor Adler: And I think to that end, councilmember Renteria, at this point I am not adding up things and seeing how much they total because at this point I'm taking a much broader brush than that. I'm just trying to give an indication to my colleagues on things that seem to make sense to me and others don't. No one should take all my things and add them up --

>> Renteria: I'm just trying to make sure it didn't have alternatives, I was trying to find out what the difference between each, and that was basically --

>> Mayor Adler: They're good questions, good questions. Anybody else want to talk about this area before we went on to another one? I think it's good if we'll get an indication quickly on kind of where we are, helpful to people who are trying to work over the weekend to figure out how they would come up

with a number they're trying to hit. Ms. Pool.

>> Pool: I am on record for supporting the 3% across the board pay raise for folks altogether, as is in the city manager's proposal. I am also supportive of finding ways to mitigate the additional health insurance costs to employees, and I think there is an item on the concept list that the mayor has offered up to find a way to make it a Progressive charge, not a regressive one.

[4:56:42 PM]

And, generally, I highly appreciate the work that our employees do and compensation is a way that we put a value on that that's very real and tangible and we'll continue wanting to support good pay for our temporary and our full-time workers as expansively as we can because without them, we really are going to have a hard time delivering the services to our constituents that they expect from us.

>> Mayor Adler: To that end, you have restructured the health insurance premiums as a budget increase. I didn't intend that to be a budget increase. I meant that to be a revenue neutral, but just as a way to make the payments more Progressive in how they were applied. Ms. Kitchen.

>> Kitchen: Yeah. I was going to reiterate, that that item should be -- that item 1 point --

>> Mayor Adler: 64.

>> Casar: 64 should be a budget neutral item. I just -- in the spirit of giving people an idea of what I'm thinking on these, I'll move down to the budget reductions and say that I would be amenable to discussing the -- let's see, 2.05, which is the implementation -- I do think we need to implement it, but I think it's potentially viable and not harm to have our employees to do two-point -- harmful to our employees to do 2.05, which relates to the implementation date. I would not be in favor of 2.26, which relates to reducing the employer pension contribution. And I have a question about two of them here. I have a question about 2.127, exactly -- 2.12, exactly what that is, whereby the funds are derived from. 2.23, is an open-ended question, and I was -- excuse me, I would like to know how those Numbers were derived on 2.23.

[4:58:57 PM]

>> Mayor Adler: Do you want to address.

>> Me or the the proposers of the concepts?

>> Mayor Adler: Why don't you explain what you did.

>> On 2.12, I believe we were asked about the -- initially the question that came from councilmember Zimmerman's office was to talk about seniority pay, if you will, service incentive pay that we provide every year to our employees. And it's in increments of \$500, \$1,000, 1500s based on years of service, and I think the concept was to take that service incentive pay and turn it into a merit pool and take the amount to -- limit the amount to 1%, which is, I think, lower than what the cost of the service incentive pay is and, therefore, that's how the reduction was derived. This was councilmember Zimmerman's proposal.

>> I just have a question on what service. Is this like a longest pay? Service itself --

>> Exactly.

>> Pool: That is paid to employees after five years of service and then after ten years of service?

>> Five, seven, and ten are the increments.

>> Pool: And the increment is how much a month?

>> 500, 1,000, \$1,500.

>> Pool: Is that a year?

>> Correct, it's paid in December.

>> Pool: Okay. Thank you. This would be an item I would not support.

>> Mayor Adler: Okay. Item number 23.

>> 1.23?

>> Mayor Adler: 2.23.

>> 2.23.

>> Mayor Adler: The question is what was the detail of the proposal that you were costing?

>> Okay. On 2.23, this was in response to the -- some additional options to save the \$6 million that was, I think, on the pending proposal before the council.

[5:01:03 PM]

And we looked at a couple of ways to modify the across the board increase, as well as delay the market implementation. And so the -- one option we proposed was doing a 2% increase in October of 2015 and another 1% in April of 2016, which will result in a \$3.2 million in cost savings. And coupled with delaying the market implementation from April of 2016 to July, councilmember will result in another \$2.9 million in total savings that will be 6.1 million. I think the number -- and I would need ed to confirm it, is a reflection of the highest option -- the highest option is a result of -- the other option was a 1.5% increase in October and another 1.5% increase in April, with delaying the market, instead of July 2016, delay it until June of 2016. So those were the two options that got us to that amount.

>> Kitchen: Could I ask, is there information you could put in our backup on that?

>> Mayor Adler:.

>> We are work on the backup. The version that we posted on the website, the version we put into your binders says to be determined for that item. At one point in time we had Numbers in there for the general fund and support services, but as acm Washington just mentioned there are still options that are being looked at by staff and so we'll be updating those Numbers and include it in the backup as soon as we land on a recommendation for the council. I think at this point in time it really should be to be determined. There was a brief moment when we had a number in there and they be we replaced it with a to be determined paws it was still being worked on.

[5:03:09 PM]

I think the mayor's staff grabbed it when we briefly had that number in there.

>> Mayor Adler: Sorry about that. We're quick. Ms. Troxclair.

>> Troxclair: I wanted to say thank you so much for looking into this and doing the work to come up with these proposals. And just to clarify, the two options that he just laid out would actually save as much, if not more, than my -- the tiered proposal that I put forward. So I am -- and it would also ensure that every city employee gets at least -- gets a 3% raise this year. So I really think it's an interesting compromise, and would definitely be interested in talking more about that. So I just wanted to say thanks for putting those forward and to the previous items that we just discussed, you know, for me it's hard to answer councilmember Zimmerman's question about what I'm going to support and not support right now, but I think if we can come to an agreement and find a way to make sure that all of the city employees get a 3% raise and save some money in the meantime that would allow us to do things like provide health coverage for some of our longer-term temporary employees, I think that that would be, you know, a good way to go. So I'm open to those ideas. And, oh, I just wanted to say on my tiered increase, that was my attempt at being a Progressive, you know?

[Laughter] Clearly, I'm --

>> Kitchen: Don't quit trying, don't quit trying.

[Laughter]

>> Pool: I'll give you a star.

[Laughter]

>> Mayor Adler: Anybody else want to kind of lay out on the table where they are on these issues before we move to a different subject area?

>> Zimmerman: On that note a compromise is another evidence that compromise is futile. I agreed to it too to get more people to sign on but it looks like the idea was dead. The original idea was to say, look, the 3% increase is unaffordable to Austin taxpayers.

[5:05:12 PM]

We're already paying too much. So, again, going back to our process, Mr. Mayor, when I look and it's talking about, you know, budget increases and budget reductions, but the 3% pay increase was a huge 11 or \$12 million increase. The 12 -- the 3% represented a huge, you know, greater than \$10 million, if I remember, increase. So it really should have been on the concept menu as, you know, a \$10 million increase. But instead it's, like, the 3% raise, which is a huge amount of money, that's just kind of the baseline. So it just seems that the process is a bit rigged against fiscal conservatives on this because the baseline is this huge 3% raise and now we're arguing about what we can do about it.

>> Mayor Adler: We have to pick something as a baseline so we're using the proposed budget. That's how the motion will start but I think with respect to that, everyone saw what the changes were that were in the proposed budget and anyone can put up, you know, taking taking that out of the budget and then would be on the concept menu if anyone wanted it.

>> Zimmerman: But it would have been better if we had had a discussion here of starting with last year's budget with no pay increase and then that would be our starting place to talk about increases. That would be a different conversation to have.

>> Mayor Adler: And my sense is if there was a group of us that wanted to start with that conversation, we would be having it and we would see it. I think that's kind of what shakes out in this process, is we're -- is we're trying to find out where the consensus points are. Ms. Houston.

>> Houston: Thank you, mayor. Because the cost of living is so incredibly high, I know many city employees who are -- have traditionally lived in my district are now living in Hutto and they can't afford to, so I'm supportive of a cost of living raise.

[5:07:14 PM]

I'm supportive of looking at temporary workers. I need more information about that because people make decisions based upon their needs and their families' needs and sometimes if we put some kind of overall decision point for them, then they don't have the flexibility to do what they've been doing. Some people like to be temporary workers, and they may have another part-time job that does offer them insurance so there's so many moving parts in that that I need to hear what that information looks like before I can make a decision on that. So --

>> Mayor Adler: Thank you, that's helpful. The 06 and 12 points I think would also be helpful for that first item 1.02 as well. Okay? Ms. Garza.

>> Garza: Just the process question of, because we -- I'm just afraid if we're going at this pace for all these things we're going to be here past midnight, which is fine. So I'm just wondering, when -- at our next meeting, is that when we're going to vote on reductions in this area?

>> Mayor Adler: Well, at the next meeting I think on September 1 people will actually be saying these are changes I'd like to have made. It will be more serious conversation. I would hope between now and the first people would start actually trying to figure out generally where they would want their budget to be. Ultimately on September 8 we'll do some version of the issue where someone moves the main budget and then we take turns proposing amendments to that budget that get discussed and then voted

up or down. So much of this is a compromise issue where I may vote for number 1 if I think that I'll get support for number but if seven doesn't come in then I really can't afford to do number 1. So I'm trying to give people -- I think you're right. I would like for us to move much more quickly through this, but people are trying to give their sense of it.

[5:09:17 PM]

I'm not sure we're really going to, you know, move the -- convince people to work out details but I would hope, if we're trying to get through this quickly and people were kind of generally expressing where they were, we might be able to get through this in an hour, hour and a half, and I would like to see us kind of work at that pace through this. To the -- unless there's something that we really need to dial down on. Does anybody want to talk about any of these employee things more? Yes.

>> Garza: I guess I'm just even -- like if we were to stop right now I would still have no idea where anybody is on any of these. Like, if we go to the next concept right now, I still have no idea where people stand. So I'm just -- I'm just -- I just don't want to waste time because we have so many. But in the spirit of what was suggest, I would be supportive of 1.02, 1.07 and I am not moving on the city manager's proposal, 3% for all city employees.

>> Mayor Adler: See, I just learned something. Anything else further on this? Anybody want to hit this one anymore? Do we want to talk about parks generally, move to open space and parks?

>> Pool: I think before we dig in, 1.26, I think, is actually a transportation item but I'm happy to be advised otherwise.

>> Kitchen: I suggested that one go to public safety.

>> Mayor Adler: We'll move that to public safety.

>> Pool: Sure. Just not parks, right?

>> Kitchen: Right.

>> Mayor Adler: Public safety.

>> Gallo: Mayor, is there a reason we're not going to continue the employee temporary reduction budget conversation that comes immediately after this one? I'm just trying to understand the --

>> Mayor Adler: Where were you?

>> Gallo: Well, we did -- we stopped at 1.64 but then the next section is budget reductions.

[5:11:19 PM]

>> Mayor Adler: No. I spoke about that myself. I would be perfectly happy if people wanted to say more -- I was on that section. If you want to talk about those, I mean, if you want to -- that would be fine.

>> Gallo: Okay. I'm sorry. I'm wasn't sensing we were to that section yet. You know, the analysis of all of this, I guess the summary that we will end up with -- I mean, where I am is that I think that -- I've heard very clearly that people are the not interested in their tax bill going up. I think there's a lot of people that are even not interested in their tax bill being the same because I think last year there was a lot of conversation, a lot of difficulty in people being able to continue to afford Austin and the cost to live here. So I really would like to see us look at tax bills ending up with a result that means that tax bills actually go down in this community this year. I think we have the benefit of an incredibly good economy and that the growth that we're experiencing is going to give us the opportunity to do that, and I think that's very positive. But when we talk about the proposed budget as it is, just being a \$12 decrease, you know, that's barely even 1% of a person's tax bill for the median homeowner. And I'm just concerned that that's not enough help to really address the issues that people keep telling us about the cost to live here in Austin. So as we look at all the things to encourage and do -- and I think a the lot of what we've just talked about are really positive, I think particularly for the part of our population that is at the lower

end of our wage scale and often a temporary worker instead of an employee, I think those are really important, but I think we also need to figure out ways to help pay for that. So when we started looking at reducing the employer pension contributions -- let me pass something out.

[5:13:24 PM]

You know, we -- and this may have been in the backup information, but we pulled out the information that compared it to other employers, other cities, state of Texas teacher. And what we've found was that Austin at the 18% is at the top of the -- almost the top of the list. Houston for some reason is at 23%. I'm not quite sure why. But everyone else, the next closest would be El Paso at 14% for employer contribution and Dallas at 13, galveston at 9%. But we want to make sure that we don't affect the stability of our pension fund. I think that's critical in all of this discussion. But I just think there is room to move down a bit, and it is a substantial savings in our budget to do that. I mean, we're looking at almost \$18 million if we dropped it down to 15% for each% we would drop it's about six and will that to me says -- 6 million and that to me says those are places we can save that we can then go and do the things that we've been talking about to help provide more affordability for temporary workers and the lower scale workers in our city and provide health benefits. But to me it just seems like an opportunity that is positive for all the things we're trying to do without a negative impact as long as we make sure that are what we're doing is not affecting the stability of that fund.

>> Mayor Adler: Thank you. Mark, would you explain why your recommendation was 18%?

>> It's -- and I'll let ed also comment, but it is not just staff recommendation. That's counsel policy for the -- council policy for the supplemental appropriation of our pension fund. Certainly while the city has some flexibility to determine the level of contributions that they would like to make the fund, if the benefit remains the same, which it is, the liability would not change.

[5:15:31 PM]

It would actually accelerate the amount of the unfunded liability and prolong the amortization period by reducing the contributions. And some -- and furnishing increase the risk of the health fund. So that's why I think what's in the the budget is to continue the appropriation as committed by previous council. I'll let ed continue.

>> The only thing I would add to that is that in discussion with the previous council, when they approved a supplemental funding plan, taking the city's contribution from 8% to 18% over I number of years there was also a second tier much lower cost benefit applied so any new civilian employees are in the second tier, the retirement program, are it's not as high a benefit as the first tier. So those two things were done in -- jointly to get the fund into a better financial status. Some of the current metrics on that fund is it's funded ratio is just short of 71%, the amortization period, so the amount of time at the current level of funding it would take to pay off the unfunded liability is 24 years. So those metrics are better than what they had been, but they still obviously have a long way to improve in lowering the rate from 18% to 15% would significantly impact those metrics. I think our amortization would Goth over 40 years if we were to do that so, again, like mark said that was a council policy to strengthen the fund, was to increase the employees' contribution rate to 18% and create a lower tiered benefit.

>> Gallo: So I guess my next question would be, if we still wanted to strengthen the fund, could we also do is that if we reduce the contribution to 17%? So are there less dramatic measures that would still allow us to continue to strengthen it but then also free up some funding to be able to talk about funding some of the things we've just finished talk about?

[5:17:37 PM]

>> The metric I just listed -- rattled off were at the 18% level. Anything you do to lower it from 18% is going to lower the amortization, increase the liability which gets reported on our balance sheet, on our books. So, no, there's nothing that we could do to lower it from 18% that would not harm the financial status of the fund.

>> Gallo: But harming and not being as aggressive about promoting the health of it are two different things and I'm trying to get a sense of is there a middle ground in there somewhere that we can help fund some of these -- the ideas that we've been talking about as far as insurance and wages and temporary employees that we can reach into this fund to help do?

>> We can get those Numbers for you. The retirement system could run those Numbers so if you wanted to lower the contribution to 17 years they could tell you how that would impact the funded ratio, amortization period, unfunded liability, how much it would increase and I think you would ultimately have to be the jungles of whether or not you could live with those -- judges of whether or not you could live with those changes to the fund.

>> Gallo: Okay. Also some conversation with the negative impact of doing that. I think would be very helpful also.

>> My.

>> Mayor Adler: My sense, Ms. Gallo, is that there are two different conversations that I think are here. One is what kind of contribution -- what level do we contribute and the second is what are the benefits that the plan provides. And I don't think that I would support changing the contribution if the benefits are fixed or given because I would want to do what's necessary in order for it to be funded well. With respect to the second conversation, physics that the conversation, how do we impact benefits, do we do a third tier or how do we impact benefits, which could result in a change in what we paid and what employees paid is probably not a conversation that I would be prepared to have as part of this budget process.

[5:19:42 PM]

Again, because I think it would be a longer and broader issue. So but in the absence of that, I would probably -- I would vote to keep our payments the same, to keep the the account strong. Mr. Renteria.

>> Renteria: I just -- on the backup material, they have the mayor and the council at \$500,000, and if that's -- is that for our staff? On the -- right underneath the subtotal grant, general fund, and it has -- it's agency, 4100, fund 5150 for 2016.

>> That's for the the staff.

>> Renteria: The staff. Is that including the additional staff that we're going to -- if we --

>> It does, yes.

>> Renteria: It does. Thank you.

>> Mayor Adler: Any further conversation on this issue? Then let's go to another page and talk about issues. Does anybody want to talk about anything related to parks? Did you want to talk about anybody that's park related or should we go to the next one? I'm sorry, Ms. Tovo.

>> Tovo: I wanted to talk about parks for just a minute and say that I'm very supportive of the item that councilmember Casar has brought forward and I've forgotten what number it is. But the park in Georgian acres I think is a priority for this city and that community and it's something that I've heard people talking about for years, since I was on the planning commission and we were looking at that neighborhood plan. Thank you, 156. So I'm strongly supportive. I think it's really critical that that community have a park in that area and I look forward to having that discussion when it comes up.

>> Casar: Mayor?

[5:21:42 PM]

If you'll allow me three minutes to flip flip through three slides to present why it is a city-wide issue. It is in my district but I want to explain why I think it's a great opportunity for the whole council and I think I can do it in three minutes once the slides pop open. Yeah, set the timer. If we're going to the next slide a lot of my folks on the campaign trail did talk about the lack of parks in my district in particular, with the lowest park acreage even though we have the highest number of children under the age of ten in district. If you'll flip to the next slide. This neighborhood is in the -- ranks in the densest neighborhoods in Austin so this is a map of density. You can see downtown, west campus, Riverside being dense neighborhoods and then Georgian acres, north Lamar being the next area of next highest density but also happens to be a low-income area where lots of people don't have their own front or backyards so part of the promise of Dennis is a shared green space when you can't have one at your own home. If you can flip to the next slide. Georgian acres in that census tract is also one of the census tracts that has a poverty rate twice as high as the rest of the city. In the north central portion, those census tracts would be served by this park and as Mr. Hague described are certainly some of the lowest income portions of the city. This is a map showing concentrations of children in the city and so you can see that really bright red census tract there in my district is really close by the park and just east thereof is where the park would be. So this would be a park that would serve lots of those children. Then if you flip to the next one. This is a tool, an award-winning tool that open Austin recently created. I encourage you all to check it out.

[5:23:44 PM]

It shows access to parks and park equity. You can see that red spot in the middle of my district with a little green worm right there sitting in the middle of it. They did a great job developing this tool and that green worm is an undeveloped park which then leaves red around. You can see we could really create access in that park desert by investing some money right there for the Georgian acres park. Even though it is there in my district I need to bring it forward because I'm so aware of it but I think it really would be a great benefit to our city as a whole because it meets sort of all the criteria especially because there's very few informal parks over there. It really is a bump of concrete and as someone mentioned we see children having to play in the streets oftentimes over broken glass and it's sort of an everyday occurrence there. So I very much appreciate y'all's consideration. The amount that would be needed to do master planning and design would be around \$200,000 and then to get just some basic amenity in the parks would be another \$300,000 so I put the concept in at 500 hundred dollars. So thank you for entertaining this brief conversation.

>> Mayor Adler: Ms. Pool and Ms. Kitchen.

>> Pool: I'm supportive of the Georgian acres park --

[buzzer sounding]

>> Pool:.

>> Mayor Adler: That's my fault.

[Laughter]

>> Pool: Since the amount is -- it's not a really high amount of money, all things considered. I think that it would be terrific if we were able to do -- terrific if we were able to do some park-related work in each district, and I had posted on the message board asking, you know, if you have things that you need in your district to go ahead and get them out there so we can look at them. I would like to look at them holistically. I am looking for money to do some repairs around the northwest rec swimming pool where the concrete is broken up and it's pretty dangerous.

[5:25:52 PM]

I thought I would sort of sit back a little bit on parks funding requests, though, as chair of the committee. I wanted everybody else to have their time to get things forward. So I will have some requests but I'll wait and see what everybody else has on their list.

>> Mayor Adler: Okay. Ms. Kitchen.

>> Kitchen: Yes, I'd like to have some conversation, doesn't have to be right now, but about how we approach parks. Because I think all of us have needs in our area. Some more than others, as councilmember Casar just showed us. So I'm wondering if it might make sense to just do a dollar amount as addition to the parks and then go through some logical process after that to prioritize and that sort of thing. So that we're just -- so that we're not, as a council, talking about each little project. I mean, I'm -- I'm not saying that I wouldn't want to do it by each project, but I'm a little bit concerned if we're going down that road as opposed to just recognizing that our parks budget needs more money. You know, so I'm not sure -- I'd like to understand what people think, if the will of the council is just to talk about what all the needs -- you know, the individualized needs and name them in each district, I'm okay doing that. It just strikes me that that may not be the best way to proceed. So. . .

>> Zimmerman: Mr. Mayor.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Councilmember kitchen's I think I think is great, if we could allocate per district a certain budget of money and let the district work on it. I know some district have a big issue on swimming pools. We don't have that in district 6. Every district has different needs so if we budgeted money per district and allow the elected councilmember to help prioritize that spending that might be a great way to avoid a lot of detailed discussion, you know, on separate projects.

[5:27:58 PM]

>> Kitchen: I was thinking of X amount added to the park budget and then at some point after that --

>> Zimmerman: Why not break it down per district, allocation per district.

>> Kitchen: I don't know that I want to do that because there may be some districts that have greater needs in terms of their particular parks, but I was thinking more in terms of during this budget process, acknowledging that we need X amount more for parks. So we're increasing the parks budget sort of like what -- I think there's a line item for increasing the health and human services budget by X amount, but perhaps doing that and then have -- then after that there might be some policy that the parks committee could bring forward in terms of helping us as a group prioritize. I don't know. It's just a thought.

>> Mayor Adler: I'd be more inclined to support that than a per district. I like the process that the staff is working up with respect to the transportation items.

>> Zimmerman: The quart cent process.

>> Mayor Adler: They're looking at both what's needed in the district but that city needs generally and the way that the staff whose point on this has been prioritizing things, but I too generally would support additional money for the the parks budget as well.

>> Kitchen: The other thing about that quarter cent process is at the end of the day we're each going to have a list of, you know, the things that are really priorities in our district so it's a nice process to go through.

>> Mayor Adler: Okay.

>> Gallo: If I could, I just wanted to say the pools is a separate issue and we can talk about that in more detail later, but I think that staff is planning to do a bond on that.

[Pool]. And there may be some specific needs going forward to get to the bond, but all of the major

renovations work of that aging infrastructure will be the subject of a different approach. It won't be -- that won't be addressed by this budget.

[5:30:01 PM]

Activity.

>> Mayor Adler: Ms. Tovo?

>> Tovo: One way to try to make some of these decisions is also to look at the work the staff has done because they have done a lot of work to identify areas that are park deficient and are really in need of parks and are high priority areas and that's one of the reasons they recommended the purchase of this tract last year. So I feel very comfortable supporting this knowing that it is very much in line with the vision that is council policy to try to have parks within walking distance of everyone in the city and also, you know, this is again,, I think, if we go back to the staff's global work looking at the community's needs throughout the city, this is an area that we've identified is a very high priority.

>> Mayor Adler: Okay. Further discussion about parks before we move to public safety? Ms. Houston and then Mr. Renteria.

>> Houston: Thank you. There's a concern about purchasing of park and green space, but it's also about maintenance of those because even though we purchase 'em, I have Johnnie Trevino park and it's just untouched because we've never had money. And we've got -- I don't even want to mention Walter long metropolitan park that needs some work, but we don't have the money to upkeep once we purchase them. So it's both and, it's not just purchase and then have them have grass that's seven feet tall and then there's no care for those parks. So we have to think more holistically than just the purchase of land. And then the other thing was about -- I don't remember the number of full time equivalents for the downtown branch library and how much that's going to cost. Do you have that handy?

>> The number of new positions was 48. I would have to look up what the dollar amount \$ we have library staff here if you have detailed questions.

>> Houston: I want to know the 48 and what that cost is, and I know they said they're going to put some on in 2016, but are all of the 48 positions coming on in '16 or can they be staggered to give us some flexibility in that amount of money?

[5:32:22 PM]

>> Brenda branch, director of libraries. For the projected budget we're asking for 48.25 ftes. That is the bare bones minimum that we need to open that central library. In November of 2016. We have asked for -- we have already phased in the staffing so that the impact didn't all fall in next budget year. We've projected 20 positions over the next two years. So 11 in the following year and then nine the year after that. And it's \$1.1 million for 2016's projected 48.25 ftes.

>> Mayor Adler: Thank you. Mr. Renteria?

>> Renteria: Yes. I just want to echo what councilmember Houston had to say. You know, I have -- I also have two different areas, I have east Austin, which quite a few parks and I have battle bend that really doesn't -- it's really sad out there. It's a park desert. And I was amazed at how these people have lived out there without parks and never complain. I don't know whether they just got tired of it and just said we're giving up because no one ever looks at my area, but we also -- I mean, I support the parks and I would like to focus in that area. So I'm going to support Ann on saying that, you know, we need to, you know, get together and focus on our little park. But I think there are great needs right now and my colleague -- in my colleague's Greg Casar's area and I would support that before anything else.

[5:34:26 PM]

>> Mayor Adler: Okay. Ms. Pool?

>> Pool: To aid everybody in this conversation, I did submit a budget request for the parks director to send us a list of all the prioritized work that they're looking to do in the park. So we should have that -- if it's not in the backup we should have that shortly and we'll be takable to take this item up in a future date along the lines of what councilmember kitchen has suggested and all of us still supporting what councilmember Casar is looking for as well.

>> Mayor Adler: Okay.

>> Casar: Mayor, I just want to thank everyone because it does feel odd to bring something forth that's specifically in your district, but I wouldn't bring it forward if it didn't, one, feel so close, because as councilmember Houston said, this piece of property has been purchased, it's sitting there with nothing on it. So we're so close. And second, there's almost nowhere else in the city that I've been that I feel like needs -- that I would say what a perfect place for a park that's needed to badly. So I wouldn't bring something forth outside the bond cycle if those things weren't true, so I appreciate y'all entertaining the request.

>> Mayor Adler: Okay. We'll move on then to public safety. I think the big issues there are E.M.S. And body cameras and ftes. Does anybody want to talk about any of those? Ms. Tovo?

>> Tovo: No, I don't. I wanted to say, and I think that's a good segue because I think parks are part of our public safety efforts, as are youth programs and a lot of the other things that appear elsewhere in budget. But I am very interested in hearing my colleagues outline some of their different proposals with respect to the public safety options.

>> Mayor Adler: Ms. Garza?

>> Garza: Yeah. I want to make some general statements first on -- there have been comments and requests made about essential services and I guess those of us on the dais, we're going to have fundamental differences on what essential services are.

[5:36:35 PM]

And as mayor pro tem just said, to me the parks are an essential service and I represent a district, one of the lower income districts, and, you know, if the children in my district have a park to go to on or a program to be part of, I think that decreases their chances of us having to have a police officer arresting them for something because they don't have anything else to do. I was lucky to grow up this a family where I didn't get in trouble because I was too busy going from one sports activity to the other. I think Austin interfaith has done a really great job of articulating how our parks and our libraries are really public safety too and we need to make sure that we're moving our budget around to fund them properly. I will speak to my E.M.S. Item. I think that when we're -- we should be sending healthy people to respond to those people who need us who aren't healthy and right now our E.M.S. Is in a situation where they're taxed, tear not able to respond to help people. They are able to, but they're taxed for-- they need some help in E.M.S., they really do. And I I don't want to compare departments, fire, police, E.M.S., they're very different, so I do think we need to move to the 42 hour work week for E.M.S. I think that will allow us to get more full-time employees to be able to relieve some of that stress because even if there is some kind of program in place there was mentions of putting treadmills in the stations to maybe relieve some stress F they're not in the stations they can't use the treadmills if they're constantly making calls.

[5:38:50 PM]

So I think this is just a way to support those who really support our public. You know, when you're in a

situation and you have to call 911 you want somebody there who is 100%, not 50%.

>> Thank you, Mr. Mayor. I want to let my colleagues know I'm in strong support of item 2.18 to limit the additional proposed police to 53. So I'm in support of 2.18 and I'm also in support of 2.25 that removes funding for the lieutenant that would be assigned to the FBI's joint terrorism task force. So I'm in support of those two. And the millions of savings in that could more than cover what councilmember Garza was referring to. It looks like there's about a 1.6 million increase if we were to go down to the 42-hour work week. So if we were to reduce the new police positions we could easily cover the 42 hour work week for E.M.S.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: I wanted to explain two items here and then speak to the police reductions that I proposed. On 1.26 I'm working with the transportation department. If possible, that might be something we can get out of the current budget. I put that here because I think it's very important for us to look at traffic safety improvements, but I just wanted to let everyone that I don't know if it will need to remain there. So -- and that's to respond to the increasing fatalities that we've had on our streets which we've got to do something about as immediately as possible.

[5:40:58 PM]

In 1.55 that relates to the E.M.S. Community health paramedic program, I will provide more information about that. That's a program that saves us money. And so that's why I am proposing that we recognize the savings that we have achieved in the past and expanded to continue savings. It saves us both in avoiding trips to the emergency that are uncompensated trips for the most part, which costs us. As well as just saving us and the community as a whole those expenses. I'll commit to provide more information to everyone so you can see what I'm referring to there. And finally, I would like to speak to 2.29, 2.3 and 2.31, which are all other versions there. They're similar to the 2.18, which is limiting the proposed police ftes. They just propose some specific ways to do it. And I won't go into all the detail now because they may change somewhat after we have some further conversation, but basically the point is that they -- the net effect of 2.29, 2.3 and 2.31 is in some cases to defer the cost of additional hires as well as to reduce the number of additional hires for the police department. And I think they can be done in such a way that we're not jeopardizing and we're maintaining public safety. That's my goal. But I do think that they could result in additional reductions at least as equivalent as 2.18 and possibly greater reductions. So we'll continue to get more information about that.

[5:43:02 PM]

>>

>> Mayor Adler: Ms. Tovo?

>> Tovo: I guess I would ask if we could, if possible -- I appreciate this and this is actually really useful to hear different bits of information about different people's opinions toward different things, but if we could -- if I could just ask if we could slow down because I have a question about councilmember Garza's, four ago. And I have a lot of questions about yours, but I need to start first with the E.M.S. And this is just a very simple for staff. I see there's a proposal to use one-time funds for the 52,000 so I assume there's some kind of capital expense to moving to a 42 hour work week, but I wasn't clear what that is. So I apologize. I know we're trying to move quickly through a lot of things, but if we could just pause and see if there are questions before we move on to the next person, that would be super helpful.

>> Chief Rodriguez with E.M.S. We do have some one-time costs with those having to do with equipment, supplies and uniforms so that we can put them to duty. That's primarily it.

>> Tovo: Okay, thanks. And I do have some for councilmember kitchen about her proposals, but there were a few other things in the meantime.

>> Mayor Adler: Any other things about E.M.S.? Anybody else want to talk about E.M.S.?

>> Gallo: Absolutely I'm very supportive of the 1.24. We hear over and over again the stresses that people in that department are facing. And the 1.28 fire safety, wildfire is an issue in the southwest and northwest regions of our community. So that funding for that is a huge public safety need in the western portions of our city. And I appreciate the 1.55, that seems like that's a good conversation to have. And I really appreciate that we've got budget reductions that we are looking at and have been proposed that will help pay for all of the items I just mentioned because I think that that balancing of not just adding, but also finding places within the proposed budget that we can tighten our belts to be able to pay for those increased services.

[5:45:18 PM]

I'm really -- I really appreciate the people that are looking for those too, so thank you.

>> Mayor Adler: Further conversation about E.M.S.?

>> Casar: I'm generally supportive of doing what we can to reduce the work week.

>> Renteria: And I'm also in support of this.

>> Kitchen: I would say that I am too.

>> Houston: And I want to add something to that. As the city and the code adopt ordinances that relate to unregulated homes, it's my hope that the number of calls to those homes will decrease so there will be extra money in that budget after we put some minimal standards in place for unregulated homes. Because we've got a lot of revenue going out to those homes, fire, police and E.M.S. Both.

>> Mayor Adler: Anything else on E.M.S.? Ms. Pool?

>> Pool: I'm in support of the converting E.M.S. To a 42-hour work week. That's 1.24. And the 1.55 I don't have enough information, but that is interesting. And I would probably support that. Body cameras, we had presentations on that at the public safety committee and it sounded like that chief Acevedo and chief Manley were suggesting that we do that next year, not this year, but I may be wrong on that.

>> Mayor Adler: If we want to go to body cameras next -- but we're not ready for them yet. Let's get there in a second. I want to talk about those too. Anything else on E.M.S.? And the next thing we had were the police ftes. You had a question, Ms. Kitchen on that?

>> Tovo: I do, but first I had one for councilmember Zimmerman. I believe I heard him say he was supportive of 2.18, which is the reduction of police, and supportive of 2.25.

[5:47:20 PM]

I wanted to pause there and hear if others wanted to chime in there, but I also -- I would like to hear -- I would just like to hear some rationale from those who are proposing it and I would like to better understand 2.25.

>> Zimmerman: Absolutely, I would be happy. We had a meeting earlier and councilmember Houston endured that with me, the whole thing, but we did go into some detail on the budgets. And what came out about the additional police ftes were several things. It looked like we had a number of vacancies left over from last year. We're always running vacancies. And there was some concern about ability to get candidates to fill up classes. We're not sure if we can do that. We're not sure if we could even hire the number that was proposed in the time frame allocated. The second thing is the rationale for the new officers centered around uncommitted time, so the time that officers are going from call to call to call. And there were some remarks about community policing, but we were not able to get a really firm

policy statement or some measurable metric of what community policing means. It kept coming back to uncommitted time, uncommitted time. And I think the A.P.D. Was looking for as a policy 30% of uncommitted time. And if they would use some of of this uncommitted time for community policing, but we couldn't get a definition of the definition of that, community policing, who it is and how do we measure that?

>> Tovo: Councilmember, who was the meeting with.

>> Zimmerman: The public safety committee on Monday.

>> Tovo: I'll go back and watch that. Thanks. How about 2.25? That was the other one you mentioned?

>> Houston: 2.25 is one that I initiated. And I think my comments were pretty clear the last time.

[5:49:22 PM]

When we have someone on a federal task force I was under the assumption that the federal government paid for that, but we pay for it, plus we pay for their replacement. And I asked how many people of do we have both on A.P.D. And the fire department that are serving on federal task task forces because that's a lot of money. But I haven't gotten that yet. So I think we really need to think about what the benefit to the city is to have the federal task force and maybe we need to be more judicious about who is on there and when. Because it's like Solomon and the baby. They're paid by the city, but they work for the federal government. So whose rules and guidelines do they follow? And I say that because we've had an incident with the police and so you don't know -- seems like there's a disconnect on whether they're working for the federal government in this action, are they working for the police? So I just think we need to pay more attention to when those television situations come up. So I'm not supporting this one because those answers -- those questions haven't been answered yet.

>> Mayor Adler: Mr. Renteria?

>> Renteria: I'm concerned about 2.18. I understand my colleague, councilmember don Zimmerman, is concerned about community policing, but through my experience and I've been working with community policing now for over 20 years, and I've seen the effect, the change when you have community policing, you have the trust of the police department, your community and your neighborhood improves. It becomes safer. You get to know your police officers. They set up a police watch. You know, there's been various times that we communicate in our community because we learn to spot people that are suspicious and our community, even using next door, working with the police department, we post pictures of people that, you know, they go out there and take a picture with their phone camera and say look out for this guy.

[5:51:47 PM]

And we're able to communicate with the police and it actually reduced the crime rate, especially the violent crime rate to the point where it frees up police officers totory things. And that's how that community policing, it gains the trust of the community community so they're not afraid of their police officer. They're more willing to go out there and work with them to catch these criminals. And the other thing that we're having a big problem is the -- I'm wondering if really the property crime that we're having in Austin and how to solve it -- we went with four other colleagues there in south Austin at a meeting with a neighborhood there and the thing that came out is that, you know, we're going around and we're not even able to solve our burglaries and property crimes. I think it's -- we're only solving about 10%. And if we're really serious about, you know, solving these kind of problems,, you know, a lot of people don't realize that, you know, I saw this summer a person going into a person's yard and taking off with his lawn mower, and because the person wasn't there in the house there, they took the lawn mower, but they couldn't file charges against the guy because no one was there to testify. So they took

that person and dropped him off on the other side of town at another neighborhood and -- to put him so far away that it's difficult for him to come back. And I'm going, my god, what happened here? We just released a guy that we caught red-handed stealing out of a neighbor's house and he got relocated to another neighborhood. And no telling what he's doing over there. But that's the kind of things that are going on in the neighborhood.

[5:53:49 PM]

And then finally, you know, we educated the person that said hey, you need to go and file charges so we can get this guy off the street. And that's what he did, but you know, if we didn't have community policing those people would just say oh well, I just lost it, we'll never get it back.

>> Houston: Mayor?

>> Mayor Adler: Yes.

>> Houston: If we're on community policing, I'm an advocate for community policing, but the police department has not convinced me how that's going to be implemented. It sounds to me -- I've been trying to get with Mr. Cassidy for awhile now to talk about some of the things that Austin interfaith says about how much of the general fund policing is costing. And if we could shift some of that money to things like health and after school programs and parks and things that would stop it before the baby gets thrown into the river instead of trying to catch the babies as they go down the river. But I haven't had that conversation because even Austin interfaith is talking about the fact that the budget is a moral budget and so much of this is on public safety that we have hardly anything to give to the social services to be able to stop them from getting into the criminal justice system in the beginning. And so if I could understand better how community policing, it sounds like we're talking about extra patrol shifts that may free up somebody time to go in. The people on 12th street don't know who their policeman is. So they know who their district rep is, but they don't know who polices that area in Charlie 1. And so I have to understand better how that's going to work before I can increase the budget by that many police officers.

[5:55:50 PM]

And this is about the overall health of the city. It's not just about one district, but that's a lot of police officers on the street. And then how do we measure what we get from that many extra police officers on the street. People want to see the policemen. They don't want them sitting down writing up their reports in the car, which is what they usually do. That's the way we see them. But they want them out on the street walking around, talking to people.

>> Mayor Adler: Let's keep the conversation going about ftes. Ms. Troxclair?

>> Renteria: [Inaudible]. Maybe we might not need as many people to do communi engagement and all that, but I'm really concerned about property crime and how many extra police officers -- how many do you have and how many do you really need to make a dent in the property crime that we're having right now.

>> Mayor Adler: Okay.

>> Zimmerman: Mr. Mayor, if I could.

>> Mayor Adler: I think there are several questions that would be helpful if you would address for us.

>> Zimmerman: Mr. Mayor, we talked about the community policing and we talked about that we already have a metric. It's the property crime rate and the solution is around 13%. So we have a metric. And community policing could mean investigate and solve those burglaries. That engage the police in community and a very positive thing of solving property crimes it's one way that community policing could be implemented. We already have the metric in place.

>> Mayor Adler: Could you address community policing the metric, the accountability associated with hiring staff to do -- to free up undisciplinary time. I don't know whether to call it active time. And would you also address the question of in this market how hard it is to actually recruit and have the cadet go through a program in terms of Numbers?

[5:57:51 PM]

Because I hear that from other people as well, the question of whether you could really fill these positions without compromising the quality of the force.

>> Certainly, Mr. Mayor. Bryan Manley, Austin police department chief of staff. With regards to metrics and measuring, obviously we understand that if such a significant investment were to be made that we have to have metrics to prove that what we're doing is successful. To that end first of all what does community policing look like? That is the officer getting out of the car, not to respond to a call, to make an arrest or to write a ticket, but to actually say hello, to introduce themselves, to talk about what's going on in the community, to build the relationships that are so important right now that officers that are responding from call to call to call don't have the time to make those relationships. Not to belabor where American policing is today. I think everybody realizes that the legitimacy of what we do and how we do it is under a level of scrutiny that it's not been under in decades. That's why these relationships are so important at this time. We would look at creating metrics. We actually were talking earlier today that I think you all are aware we do a monthly comp stat program at the police department and this is where we track all of the crimes that have occurred in the previous month, we compare same months to that month the previous year and then we compare year to date statistics for this year to year to date statistics for last year. Traditionally we focus on the crimes that make up our ucr Numbers, but we would expand that to track community policing. When our officers go out on a community call they would log that into the cad system. They will capture the number of hours they are spending doing these community engage. Events. Again we've talked about in generalities what that would look like and that will be looking for the communities to engage with members of the communities, whether it's stopping by the business and attending more community meetings, whether is stopping at the park to just, you know, spend time with people that are enjoying an afternoon or evening.

[5:59:56 PM]

There's a lot of different things that it will look like. Ways that we would measure that. We'll look for the hours spent. We should see improvements in crime rates. We should see improvements in the annual surveys we do on citizen satisfaction and I think we could gear specific questions in the annual citizen satisfaction survey towards these metrics of community policing, asking the citizens if they are seeing officers more frequently, if they're more satisfied with those level of interactions. We have talked before about the district representative program and how valuable that one officer is to the neighborhoods that they serve and the importance of it not be limited to that one officer, but every officer. That residents should know the officers that serve their district. So at a high level, that's the community policing and some of the metrics that we would look at to measure that citizen satisfaction, hours spent, relationships built. In regards to I believe it was property crimes we were talking about, Mr. Mayor, and what it would take to improve that in that area --

>> Mayor Adler: What does our number look like compared to other cities?

>> Our solveability rate is higher than other cities, but unfortunately when it comes to property crime, nobody is nearly as successful as violent crime. We are in the 12 to 14% solveability rate on part 1 crimes for property crimes, and that is higher than the national average. The challenge with property crimes often times they occur when people are not around. There are no witnesses. They're reported

hours after the fact and there's just not a lot of opportunity for follow-up. If we are successful in improving relationships, getting to know more citizens, getting them more engaged in assisting us with our crimefighting efforts, then we're hoping that we will get more people that are helping us police their neighborhoods, looking for suspicious behavior, reporting that to us, realizing that we are there to partner with them in these efforts. As far as putting additional officers towards combating property crime itself, I believe, councilmember Renteria, you were alluding to that.

[6:01:58 PM]

We did dedicate 10 positions out of our current allotted staff last year to create a property crimes task force. We do not have that staffed yet in the proposal before you today is the request for the sergeant and the corporal to supervise that team because we realize that is the biggest issue that touches the most number of citizens, although to be the victim of a violent crime is much more impactful, being a victim of a property crime is much more likely. So we are taking steps to try and make improvements in that area through the creation of this property crimes team.

>> Mayor Adler: Did you have officers that were authorized last year that you weren't able to fill because of not being able to recruit the number of qualified people that you wanted to have?

>> To that question, we have a cycle of recruiting. So when the 59 positions were added to our budget last year, they come in as vacancies and so our vacancy rate automatically increases by 59. We recruit, do the backgrounds and do the training on roughly an 18 -- 16-18-month cycle. By the time we get that initial interest card, we do a background information, we do panels, psychological investigations and our academy class, our cadet classes are 32 weeks long. So the process that it takes for us to actually fill a position once we receive it in our budget can run from the 16 to the 18-months. So yes, if you were to look at the actual PC in Numbers in our budget, there will be Numbers of the 59 from last year that don't show filled yet, but we likely have cadets in the academy right now or we have applicants in the current process about to be placed in the November academy. If we don't have the positions, the ftes in our budget, then we don't recruit for them and actually get to start that process to get them into the academy.

[6:04:02 PM]

>> Houston: Chief Manley, when we're talking about community policing, everybody that I talk to in my district who knows their district rep talks about how partner that function is how they get transferred or other shifts or whatever. If you come to us and said we're going to increase the number of district reps, those are the people that are out there talking to the barbers and talking to the restaurant owners and trying to help the steps figure out what's going on. That to me is more community policing than adding 82 people or however are on patrol functions that are going to drive in the car and then we'll have the same problem, they're in the car, they may take their time out and log in the community engagement, but their main function is control, their main function. So how do you get their main function in a car to be out and about talking to people and not in the car. Because most of their time should be out and about like the district reps are.

>> Certainly. And councilmember Houston, I think to that part part is a philosophical change of what you measure is what you do. We have to push this from the top. The point is what we don't want is we don't want the district representatives to be that sole person because that district representative is not going to be the officer that responds to the disturbance that night when it happens or whatever that call may be. And we want the relationships to exist between the patrol officers who will be responding to those calls in the neighborhoods and the residents to have had time to build relationships instead of just having all the relationship building being done in a specialized unit. When we started community

policing back when I first got in in 1990 we had a community policing division and it consisted of three people. And that's not how you do community policing. It can't be a project or a program. It has to be the philosophy and the operations of how you do things. So this really is an effort to spread that philosophy and the time to incorporate it amongst all of the patrol officers so that they can better build relationships and that will assist them when they're responding to calls for service.

[6:06:20 PM]

>> Tovo: Councilmember kitchen. Tipped before I start asking questions let me ask a process question. I have a lot of questions on policing. And we have more areas to go. I did have the, you know, opportunity to participate in the public safety committee and ask some questions there. I could continue asking questions or if you would prefer I can defer that.

>> Tovo: Well, since the mayor is off the dais, maybe we should just adjourn.

[Laughter].

>> I'll second that motion.

[Laughter].

>> Tovo: I would suggest we spend a little time here. This is an area where there's such different proposals and proposals that really diverge so greatly from the city manager's proposal that I would suggest that we use this time. And here's chief Acevedo himself.

>> Kitchen: I'll ask one question and then I'll defer to others. So -- I'll just continue the questions about community policing because I share councilmember Houston's perspective, I think, or question. It seems to me that the district representatives makes the most sense because I'm not sure how you are -- it's a function for a patrol officer is primarily patrolling, then how can you possibly -- anyway, it just doesn't make sense to me. So my other -- my more specific question to you is what other police departments would you point to that are doing community policing effectively in the way that you're proposing to do it?

>> Good afternoon, first of all, I was across the street at another event for the county courthouse. Art Acevedo, chief of police. It's interesting you brought that up. The city manager and I had the opportunity to have a very important conversation the last couple of case in Washington, D.C. -- Couple of days in Washington, D.C. Where we had police chiefs, mayors, elected officials from around the country, a very select handful of folks to talk about with the current state of policing in the United States where do we go from here?

[6:08:31 PM]

>> Kitchen: I had a specific question.

>> Yes, ma'am. The conversation relayed about getting police officers out of the police cars. Not the Dr's that everybody loves and everybody gets to know, but giving police officers, the ones that are the frontline officers responsible for building that trust, out of police cars instead of going from call to call to call. So a big crux of that conversation was really focused on what we're trying to accomplish here and that's to have the resources necessary to have police officers have opportunities to engage the community, those frontline officers, in spans that are other than just in those dynamic situations where they're calling in a 911 call. So what we're trying to do through this process is set the standard. I mean, Austin is a world class city. I'm not sure -- we could do that research, but I can't really answer that question right now. But we can do the research, but what we're trying to do is get the staffing to get us the time that we need to build those relationships that ultimately will give us better outcomes.

>> Kitchen: My question is -- my challenge to you would be or my question to you would be it would seem to understand the state-of-the-art for community policing you would want to look at where it's

been done elsewhere, so that would be helpful to me to understand, you know, communities that have results from their community policing in the way that they put it together and I'm not hearing that from you guys. Perhaps you could think about that and provide that information.

>> Tovo: Councilmember Gallo.

>> Gallo: I have a question just with the idea of trying to be able to add community policing to hours, patrol hours. One of the things that we've become aware of with the issue of short-term rentals, which I dream about, which is really sad, is that the police department has to respond to the noise complaints.

[6:10:37 PM]

The code department has to respond to the occupancy complaints. And usually the two are tied together, particularly in short-term rentals. It seems like it would be advantageous for code to be able to respond to the noise complaints in the short-term rentals. Is that a reasonable thing to do? Is there a reason why you actually need a police officer responding to those? And it may just be in short-term rentals that there's an answer to that. Or is that something that if we had code department do, because like I said, usually the complaints are tied together, you would have one person doing both instead of two different people doing pretty much the same thing. Is there a reason that the police department needs to address and needs to be the frontline person on noise violation complaints?

>> We'd love to give it up, but here's the problem and the challenge. I was just speaking with Marc about an hour ago we had a pilot project we put together, the city manager put together in July, where with he actually teamed up on weekend. The challenge with the noise complaints on weekends, a lot of times what you're league dealing with is loud parties with a lot of people drinking, ingesting drugs and quite frankly, when they give -- they give our cops a hard time sometimes when they show up. And I think from the code's perspective, they're a little concerned about safety of their personnel that show up trying to enforce a city ordinance in an environment where there's a lot of alcohol and in many instances drugs involved and that is a safety concern for them. And so we actually talked about taking that model where on Fridays and Saturdays we are working together, I think it was all the month of July, to enhance their safety, but more importantly so we can leverage the tools they have in their toolbox in terms of some of the codes that they enforce with the tools that we have in ours. But for them it's a safety issue with these parties. These parties get out of hand on a regular basis. You can have parties get out of hand.

[6:12:37 PM]

And I think they have a safety concern.

>> Gallo: My question was more an efficiency of manpower. So the pace team was wonderful, but you're still combining two people on that team.

>> Correct.

>> Gallo: So the efficiency of doing one person. Did you run into any situations on the pace team when you were investigating short-term rentals that resulted in any arrests because of alcohol or drug problems?

>> I will have to respond back to you. I know that we collected statistics during the four weeks that we did it. I don't have those with me. And we actually just reimplemented that program. We're actually going to have officers with code compliance again beginning this week, Friday and Saturday night, replicating what we did during our test project.

>> Gallo: Thank you. Once again my question was for efficiency of manpower could the same person do both. Thank you.

>> Tovo: Councilmember Renteria.

>> Renteria: Yes, chief Acevedo, if we reduce our R. Your request by half to 53 positions, how would that impact your department?

>> First of all, what I want -- I pointed out the other day we already know when it comes to staffing that we're a lean organization. The council, prior council actually conducted a study of the police several years ago that concluded that we were short about 257 officers. I'd have to dust it off. It's been awhile. So what it would do is it would hamper our ability to achieve what we want to achieve and what I think the community wants, which is to have police officers have opportunities to actually do some proactive community building, trust building, building legitimacy. Just Monday we had a forum where legitimacy was an issue. It's an issue nationwide. So it would slow our goal of getting to the point where we are actually able to engage in relationship building. I really believe that as we do this, as we get closer to that 30, 35% goal of proactive policing, or community policing time, what you're going to see is that eventually we're going to come back every year with data.

[6:14:48 PM]

You won't -- eventually as you build those relationships and that trust, there's some synergies that come through that that in front end we might be putting bodies, but as the time goes by and we end up building those relationships and that trust, you might be seeing less ask in the future. One of the things that I've directed my team after coming back with the meeting with the city manager, is we are going to add community policing efforts to com stat, which is really our data-driven policy. So we're going to start adding that immediately to com stat where we'll be capturing consensual contacts, community policing contacts and the time that we spend not just with the Dr's, but everybody. That way when you make some investment in this, hopefully what we'll be able to capture is where we are before the bodies are given and what we see in terms of getting that -- getting those outcomes that we hope to achieve.

>> Tovo: Chief, I want to signal that I did ask a question through the Q and a process. We've talked a lot about community policing and the increase in officers is expressed as an interest in community policing. And I asked the question 192, it looks to me like -- I'm sorry, 191, 19 of these officers would be assigned to the organized crime unit. So you don't need to address that now because I know we have some other things, but I'm keenly interested in the answer to that question. You know, as we evaluate the city manager's proposal and the proposals that have been brought forward by my colleagues to lower that number, we do need all of that information about how these officers are going to be used to assess which of those proposals.

>> [Indiscernible]. The 19 positions you're seeing added are based on a reorganization from last year where we took metro tactical units that were initially assigned to the area commands doing drug, gang, prostitution type work, and we centralized them all into the organized crime division so they could have a unified approach instead of one that was spread throughout the city.

[6:16:54 PM]

So there were no additional -- there were no new bodies put towards that. Those were officers in specialized units that we just centralized. The budget tree is now catching up to that reorganization last year because the number of ftes assigned to organized crime increased because of that reorganization last year. These were not new bodies.

>> Tovo: So the new bodies, 19 of them are not going to organized crime, those 19 wasn't to organized crime already through the reorganization. We're just affirming it through the budget.

>> Correct. They were already assigned to tactical units, all 85 positions that you're seeing in the budget are frontline other than the patrol position.

>> Tovo: Okay, thank you. Councilmember troxclair.

>> Troxclair: Since this is my proposal I would just speak to it for a second. I share councilmember Renteria's concern about property crime. It's a huge issue in my district, as y'all know. The struggle for me is that we haven't gotten the data that confirms that if we invest in these additional officers that we will see a tangible decrease in property or other crimes. So -- and the reason that I put this proposal forward is that, you know, the -- at 106 new ftes, that was over 50% I think of the new money being spent in our budget, and -- over double the number of ftes we're adding to any other positions. So I just felt like it was an important thing for us to talk about. 53 was not a particularly inspired number, but it was something to put out there to start the discussion so we could have this conversation. I really appreciate councilmember kitchen for kind of picking up the ball and putting together a couple of other proposals that are a little bit more detailed. So, you know, I hate -- it's not a suggestion that we reduce the proposed number, is not a statement that we don't support or that I don't support public safety, it is absolutely I think one of the very basic services that we should be providing.

[6:18:59 PM]

But -- and I think that we should have this conversation in the context that 53 new positions is, again, more than any other new positions. It's probably actually more than any -- more than all of the other new positions that we're adding combined. Don't quote me on that. But it's significantly more that we're dedicating to any other city department. So even at that number, this is a significant investment for our city.

>> Houston: And chief Manley or chief Acevedo, thank you for responding to my question about where our sworn officers live. I sent a request back because it tells me that -- this goes back to community policing, that 466 of our sworn officers live in Austin. 466. That means that -- how many officers do we have, 17 --

>> 1846.

>> Houston: 1846. I can't do the math that quick.

>> It's about 25%.

>> Houston: How many live outside of the city.

>> About 75%.

>> Houston: How many Numbers is that?

[Laughter]. 466 live in town.

>> That would be 1213. 1398.

>> Houston: So the people in my community are concerned about when we use the term community policing that we are not being policed by people who live in our community. So people live far away from Austin and that's what I've asked, where do our officers live? Some live in Hutto and Leander, but some live in San Antonio. It's my understanding some live in Dallas and fort Worth. So I need to know where our officers -- because that's their community! Their community is not east Austin. Their community is not southwest or dove springs. And so when we talk about community policing, really what is that that we mean?

[6:21:04 PM]

Is it people that live in the city that understand the dynamics of the city or is it people who come into the city, work for a shift and go back to where they live. So we need to have that conversation. It's probably not the conversation to have tonight, but people are concerned about the lack of the community being a part of the police force.

>> Can I just -- 30 seconds on that. Community policing to me is an attitude, a mindset, it is a spirit of service and a commitment to service with respect from our cops. And we talked about that. I agree with

you that that would be a best case scenario. And Charles Ramsey out of Philadelphia is one of the-- he is truly right now probably the most respected law enforcement leader in the country. And we were talking about this issue and he is he says, you know, I've worked in a city where it's 100% requirement to live in the city. And what they notice is they still had bad officers. So while I agree with you that we should encourage them. And the good thing is when we give you that data you will learn that a lot of our younger people, the newer officers actually live in the city, which is great, but we have to just to me community policing is about attitude commitment, respect, and caring about the city.

>> Houston: Chief, I agree with that, but I don't want us to discount the fact that when you're going into Booker T Washington with a different mindset that if you understand where you're coming from and the kind of respect that you show people who are low resources, it's a whole different mindset. And we can't train that into people.

>> Mayor Adler:

[Inaudible].

>> Kitchen: I've spoke some already and I don't think councilmember Zimmerman has had a chance.

>> Zimmerman: Just one more. We have a lot of police talent here so it's great that you're here. I'm still a little bit action sass per rated. We pay a lot of taxes to the police to solve crimes. Not to build relationships, but to solve crimes. But they're not mutually exclusive.

[6:23:06 PM]

Because when you go to solve those property crimes you're going to build relationships, good relationships for the people that need your services. I cannot path Tom how when I mentioned solving crimes in a metric that we would improve our 13% property crime right solution and bump that to 20%, whatever the number might be, and we're going to build relationships doing our job, which is solving crimes. And instead I keep hearing no, no, no, we don't want to do that. We want to build relationships by having a patrol officer drive around and knock on doors, talk to people. No. We want to solve crimes. Let's solve crimes. In the process of solving crimes we will build relationships. How is that not --

>> I'm not sure where you heard that we don't want to solve crimes because that's one of the things --

>> Because I keep hearing building relationships, building relationships, building relationships. Every time I say solve crimes, one of you guys says building relationships. That's where the idea is coming from.

>> Well, it takes a K community trust and community cooperation to solve crimes. And if you don't have legitimacy I can assure you if you look at the cities that are most plagued with violent crime and crime generally in this country, the relationship between the police department and the community is not where it needs to be. By building that trust and building that legitimacy, what you're building is cooperation, a spirit of cooperation, engagement and people when they trust you they're going to come forward with information, they're going to tell you what's going on in their community and most importantly they will help you prevent crime and solve crime. The other part of the community policing time that we're trying to capture is that end view patrol that the number one deterrent to burglaries, residential burglaries, is an end view police department. It's a police presence. And that's something that because of the low staffing in terms of the amount of hours we have to be doing that proactive policing, the end view policing, gives us a big challenge in our city when we're forced on focus on violent crime, not that we're abandoning violent crime.

[6:25:22 PM]

We're seeing a trend on property crime and our clearance rate going up. For all the violent crimes in our city our clearance rate is well above the national average.

>> Zimmerman: 14 or 15% is abysmal. We -- abysmal, we should be ashamed that the property solution rate is that low water crossing.

>> The community average is where our community is with regards to property crime, we are one of the lower tiered major cities in the average.

>> Mayor Adler: Sorry to have left the dais. The secretary of hud was talking about coming into Austin maybe with others to help us celebrate our victory on veteran homelessness. And I took that call. But now that I'm back I'm trying to figure out where we are. Councilmember kitchen, I think you had several proposals.

>> Kitchen: Yes. I did speak to them, but I had another question, which was how long did you want to spend on policing because we do still have a lot of questions, and given the fact that you wanted to keep us moving I'm happy to continue this conversation by submitting some more questions and I'm sure we'll be meeting too.

>> Mayor Adler: My sense on the policing issue is that it's a big issue. My sense is that we don't have the factual basis to be comfortable making a decision. So I would urge everybody to -- it might be a did way to do it is to submit some Q and a's so that we can get to some other issues on this and so that -- chief Manley have the opportunity to be able to respond. And I would add to that list the issue of body cameras because I know when we had looked at that in the not too distant past it looked like something that we couldn't really start phasing in until next year because we didn't think that the technology was available.

[6:27:31 PM]

But the technology might actually be available, and if that's the case it would be interesting to know if we could start rolling out body cameras earlier and what that cost would be based on the new information you've gotten in the last week or so. So I would add that to that list.

>> Kitchen: I think I asked this question at the public safety committee, but I believe that you all were going to get some further information for me. I posed the question of what could you do right now or what would you do right now to work on improving your relative humidities in terms of community policing. I want to remind you that I asked that question and someone mentioned that you would get that back to me. In other words, what greater efficiencies could you put into place in your operations right now? And I'll submit some additional questions. And I'll just say what you're hearing is -- at least from me and perhaps from others is a major concern about the balance in our budget. We have huge human services needs that actually are preventive in terms of -- in terms of crime in our community. And I think that there's a number of us that are aware of that and are searching for ways to -- to look at that balance. And so I would ask you all to think about that and help us out with that.

>> Absolutely. And we don't envy you. You have a lot of decisions to make and our job is to present you with the information. Whatever call you make, I promise you we will run it to the best of our ability because that's what our charge is as police officers.

>> Kitchen: It would be helpful from my perspective to understand what you think you can do with less ftes and -- and something other than just you can't do complete community policing.

>> Again, community policing is an attitude, it's a spirit of service and it's about respect and that's where it all starts.

[6:29:38 PM]

>> Mayor Adler: Are there any other questions on A.P.D. That people would want to suggest now? Just the question? At this point? Thank you very much for your time. Welcome back home. Okay. Are there any other items with respect to the public safety that people want to raise for awhile? Ms. Troxclair?

>> Troxclair: I want to speak really quickly to 1.28, which is provide funding to rent space and staff the shady hollow fire station. I know you heard during our briefing that we have some areas of our city as we've grown that are really significantly underserved when it comes to fire services. We -- in my neighborhood or my district in particular, we are annexing areas faster than we can provide adequate service for them. And this issue in particular, we need to build a fire station in councilmember Garza's district and also a different area in my district, but in shady hollow we have a really unique opportunity in that there's an existing building there and the city is already renting half of it. If we rented the other half of it we would be able to provide fire service to an area again that is significantly underserved at a tiny fraction of the cost. I mean, five or 10 percent of the cost that it would be to build a new station. So I just -- I think it's a really unique opportunity for us to invest in public safety in that way. And I just -- I share councilmember Casar's hesitation in putting forward something specific to my district, but I also feel like it's really something worth looking at because of the cost value ratio to it. So just would appreciate your consideration of that and please let me know if you need any other information.

>> Mayor Adler: Okay. Any further discussion?

[6:31:39 PM]

Yes, Ms. Garza?

>> Garza: I just wanted to add that I think during the fire presentation they said there were like seven to a eight -- they need seven to eight fire stations right now. So I would agree this is a really good opportunity to spread to get some service out as necessarily needed. And I don't know why councilmembers feel bad about advocating for their districts.

[Laughter]. It's what we're here for.

>> Mayor Adler: Okay. Ms. Tovo?

>> Tovo: Can I ask -- I would concur. I think that's part of our role to bring forward, you know, things that we've identified or that our community has identified that we need to bring to the attention of the full council, understanding that they need to be prioritized in terms of the needs of the full city. Is there backup information about this particular request through the question and answer? I want to understand better what the opportunity is, what the need is, whether this is the right location. Have you asked questions through the Q and a process that will help me read that kind of information?

>> Troxclair: I have asked those questions, but I don't think it was through the Q and a process. But our fire department has that information, has the response times and they've identified kind of the areas of the city that have the slowest response times on a really -- they have a lot of information that would be helpful.

>> Tovo: This is kind of a general question -- a general suggestion. With some of these, I would ask my colleagues if there is something they're bringing forward that they're really going to advocate for, I would like to see the backup information and some understanding of kind of what the need is and so if there is backup information, if you could ask it through the Q and a so that that becomes available through that process, that would be really helpful. And there were a whole bunch of things on the concept menu that I felt that way about that I could rally around it if I had some understanding of why that is rising to the level as a priority compared to all the other needs of the city. But I need that research and that documentation to really make an informed decision.

[6:33:41 PM]

So if we could just try to get that stuff moving through the Q and a, that would be great.

>> Troxclair: And really quickly, it looks like the cost for this particular initiative is going to be about \$1.5 million and compared to the cost of building a new fire station, which is -- you can help me, but probably

upwards of 15 million.

>> Yes, good afternoon. Tom Dodds, chief of staff, Austin fire department. The unique opportunity for this station is because shady hollow is going to be annexed into the city and the station that we are going to be able to occupy was built by the mud. This station will -- we will take this station over in 2020 no matter what, what happens at this time. But what we do have is an underserved area. And I don't have the response times in front of me to give you that, but we have pledged to come back to kind do a presentation midyear about the standards of coverage all around the city so that every district and every councilmember can see how we do have some elongated response times around the city. We have identified the southern corridor of our city as having probably the most challenging response times for us, and this is one station that does fall under the parameters that we've identified as needing support by having another fire station. We're proposing since we don't have to buy the facility, we now pay half the lease fee there because we have -- that's 25,000 a year. If we take over the entire building, that's 50,000 a year, which is far cheaper than our estimated cost of around \$10 million to build a brand new fire station. So what we're proposing is the cost of an apparatus and staffing for that station for about four months of the next year, for about 33% of the year. And that's to help us with the time that we talk about hiring cycles, that will help us with the staffing of our hiring cycles to be able to staff that with a minimum amount of impact on our added time.

[6:35:47 PM]

>> Tovo: Thank you, that's great. I don't intend to ask those kinds of questions about all these items. I'm just asking if we could have that sort of information available so we can review it.

>> Absolutely. We do have that information available and can give it to you.

>> Casar: Sorry, I was about to ask her, but I realized you're back. Just one very quick question. This would be then operating dollars, not one-time dollars because it's not a capital investment, correct?

>> Troxclair: Right.

>> Casar: Thank you.

>> Mayor Adler: Anything further on public 98 does anybody want to talk about the concept menu fees item?

>> Casar: Mr. Mayor, one question. The code department, would we consider that under the public safety section or another section of this?

>> Mayor Adler: That could be considered here. Did you want to raise an issue?

>> Casar: Just one issue. Councilmember kitchen and councilmember pool announced an initiative with me this morning, a proposal for something called the residents' advocacy project in which we would move some of the proposed new budget into a non-profit to do outreach funding on abatement and having tenants know their rights in dangerous properties. The code department has proposed in their current budget some of that community outreach work, but in my view the way that I described it this morning is perhaps sneakers on the ground might do a better job than boots on the ground where we have folks that really know how to interact and work with the community on these code issues. So the proposal that I have laid out in the message board so I won't go into too much more detail, really focuses on those aspects and also would be budget -- would be budget neutral based on the proposed budget just by moving proposed code resources into this program.

[6:37:47 PM]

Then also I've had conversations with the law department and the code department will bringing back some goals and performance measures as far as holding persistent non-compliant str operators and properties accountable in court and having some -- having some goals and metrics for the council to

expect in the coming year if we were to fund the department at the levels proposed.

>> Mayor Adler: All right. Moving out of public safety, the next item was fees. Does anybody want to address fees?

>> Casar: I wanted to address if we were planning on taking a break or if I should grab food and bring it to the.as.

>> Mayor Adler: There's pizza back there.

>> Tovo: Could we also address what our trajectory is here? Because that may influence our decision about whether or not we're doing a break.

>> Kitchen: I would like to suggest an end time and we'll see how far we can get.

>> Mayor Adler: It's 20 to 7:00. I don't know if anybody is finding this helpful or not. We could stop it now if we wanted to. We could set a time of 7:30 and move through more quickly or we could break for lunch and -- break for dinner and come back and continue as we've been going. Does anybody have any preference? I'm fine with the will of the council.

>> Casar: Mayor, I find this very helpful and I'm happy to eat on the dais or watch y'all in the back, but -- maybe it's because I'm calloused now after the three A.M. Meeting, but I'm happy to go late because I think it's really important and I really appreciate -- there are a few instances here where I really got to know what some of my colleagues' priorities were. And so it's important enough to me that I'm willing to stick is out as long as we have to.

[6:39:48 PM]

>> Mayor Adler: Ms. Kitchen?

>> Kitchen: I'm finding this very helpful also, and I can even break my rule and eat on the dais.

[Laughter]. But I do want an end time. And so from my perspective, I don't want to go all night and I don't want to go really late because I will be less and less productive. So I don't know what an appropriate end time is. 8:00 or so would work for me. But I don't want to go really late.

>> Zimmerman: I'll second that motion of 8:00.

>> Mayor Adler: 8:00 sound good for people? Anybody want to propose anything else? Okay. Let's go until 8:00. My preference if we're going to go to 8:00 is to work diligently through this so we can touch on each of these, recognizing that -- the purpose of this is mostly just to be able to articulate and share where we are with issues as opposed to this being the opportunity to convince your colleagues of the correctness of your position. But certainly to say enough to be able to lay out where you are. Then we'll do that. There's pizza back there, and if people want to grab pizza, they could grab it and bring it back to the dais. Anybody want to talk fees? Ms. Kitchen?

>> Kitchen: I would like to ask -- I can't remember who put forward 3.13, but I would just like to talk about that for a minute and have that person explain what they're -- what their thinking is.

>> Mayor Adler: Who was the person who did 3.13?

>> Kitchen: Councilmember troxclair. Not to put you on the spot.

[6:41:56 PM]

>> Troxclair: I will say I was inspired by the mayor putting on the concept menu to -- as a concept to not increase the amount in property taxes from last year to this year, I was trying to extend that same concept to utility bills as well. But I don't think that we have the information yet in order to evaluate what that would take. But my thought was if we're going to -- now especially that we've gotten the property tax bills certified and the property rolls certified, and we have all in favor of this new information and seemingly new revenue if we're going to go down a path to truly say we did not increase your cost of living with the budget we passed this year, I think it would be great to include

utility bills as a part of that because obviously that is a big part of everybody's monthly budget as well. That was the goal behind that concept?

>> Okay. We'll get the backup for each fee. I would support that in general. There's just one or two fees on here that I'm not sure if we'll be able to do that with, but we can get the details.

>> Mayor Adler: And I see this as also just giving a scope on what it would take to do that. I think that that's good information to have. It could be a reason why you need to do it and a reason not to do it, but I think the information would be helpful. Ms. Gallo?

>> Gallo: As we were looking at that, as we were looking at a lot of the things that are paid for through people's utility bills, which would probably surprise people that they were paying for, it seems like a lot of probably decades and decades of previous council's pet projects are paid for that I think that we can make good traction in doing this if we just go through that list of things that are paid.

[6:44:06 PM]

And really look at are they energy related? Is it reasonable for those to be paid in the bills? Or do we want to move those to the departments that will be appropriate? I think we'll find a lot of places if we look through that information that we'll probably be able to do that.

>> Mayor Adler: Further conversation of fees? Ms. Pool?

>> Pool: One item on the reductions list that I cannot support would be to rolling back our progress in the organics pickup and the compost that Mr. Dobbs was here to speak on earlier today.

-- That would be 3.09.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: I would say with regard to 3.17 on the repeat offender properties, I'm just looking for a better alignment between costs and the fees because the fees are only \$100 right now. So I've proposed a couple of different ways to approach that. So that was my reasoning there. And then back on 3.13, the fee I have a question about is the transportation user fee. So I'll go back and look at that more, but that's an area that I think people might be willing to pay more for. And assuming that we are targeted in what we're doing and in the context of everything else. So...

>> Gallo: Mayor, can I -- I was going to say when we look at the budget in the box results, although I think there were 118 out of 80,000 people in my district. The one thing that people were willing to pay more for in district 10 in those results was transportation issues. That was the one thing. Everything else people were not as enthusiastic about.

>> Mayor Adler: My sense is also with respect to the 3.03 item, which I think mayor pro tem and I both have spoken to, my sense is people would be willing to pay a little bit higher fee in the development context if they thought that we were actually helping to support a system that ended and prevented backlogs and the culture was changing with respect to community service, the permitting process was fixed.

[6:46:34 PM]

And since I think we're making a commitment to do that and continually reurging that whatever resources the manager needs in order to be able to get that done, it real important I think that we do that. And I know that Rodney is working in that direction. With respect to this, it's been pointed out to me that they hope that Rodney's purview is wide enough and broad enough to pick up how other departments intersect with that, water, wastewater, energy, fire department, as they impact the permitting process, because people in the community don't differentiate by departments. For them it's just one permitting process. I've assured them all that he does and that -- is that correct? That's correct, isn't it, Robert?

>> We're working on it.

>> Mayor Adler: Okay. That's important. But my sense is that people would be willing to pay a higher fee if in fact they felt like they were getting that for that amount. Ms. Houston?

>> Houston: I was going to ask support -- where is it? The organics program. But again, I say that when we put that citywide, people who have fixed incomes, that's one extra cost in their bill that they're going to have to think about how do they pay. Even though it may be one person. So I have a concern about adding additional fees who are on fixed incomes.

>> Troxclair: I will say that we asked the director of our department the other day, I can't remember what committee meeting that was even in of that being an option, and he seemed open to the idea of the option or how that might work. I'm awaiting the answer back from him. I think it's great for people who want to use it.

[6:48:35 PM]

I think as councilmember Houston said, it's a really tough -- \$50 a year is a really tough sell for people on fixed incomes or others who aren't going to use it or others who are already composting on their own or would be paying double for the same or similar service. So we'll see when the information comes back from the department.

>> Renteria: On 3.09 on the organics program, I'm really struggling to support this program because I know that the solid waste department is having a difficult time even picking up yard waste and trims from my yard and from my neighborhood, and people are reverting to throwing all of those yard waste into the recycling bucket or in the trash can. And I haven't seen the improvement that if something just really bothers me, the culture of that department, doesn't seem like they're really reaching out to try to, you know, encourage people to recycle. And then we're starting a new program and I just can see right now that -- I have a feeling that it's not going to be a successful program. So I'm really struggling on trying to support this, this particular program. And if I don't get any good answers out of that, I probably will be voting against it.

>> Mayor Adler: Mr. Renteria, will you speak for a second on 3.04? Those were the fees for the temporary food permit. My recollection was that when we removed those fees earlier this year that was something you brought to us.

>> Renteria: Yes, because a lot of the non-profit agencies -- groups that operate in my neighborhood, they're very small group. They're a struggling group.

[6:50:37 PM]

They barely just make a couple hundred dollars off of these fund-raisers, even though they contribute it all back and reinvest it into our neighborhood. And when you start raising the rates that high up, they're just going to stop doing it because they can't make it -- might as well just contribute the money that you would give to the -- to the health department, to whatever you're working on and whoever you're raising money for or whatever group or program that you're supporting. You know, we -- I might self when we were running -- I myself when we were running united east Austin and we had a yearly event and basically what our event was to raise money so that we can donate it to the mac, to the mexican-american cultural center, so they could use it to, you know, Polish up the floors, you know, to make up some of the needs there. We ended up paying a thousand dollars plus fees to make a thousand dollars. So you're not making the money because you're paying so much. So, you know, you're just going to discourage these little small groups. If we could find some kind of a tier type, if there was a way that -- if there was a small little non-profit or group that just trying to raise enough money to pay for a trip that their baseball team or soccer team or boxing team that just need a couple hundred dollars and they

wanted to have a little fund-raiser down on the street selling plates to their friends, you know, why make 'em pay so much for all the inspection fees? So that's what was my concern about the whole program.

>> Houston: Mayor, could somebody talk about what that is now? Because we had that conversation and we said when we first got here that we would move it -- we would move it up.

[6:52:42 PM]

But I don't remember. What the fee ranges are.

>> Mayor Adler: And I would sure like to know when you respond to us if there's a way to tier it or to have a-- some way to measure a range in which people would not pay a fee or pay a greatly reduced fee. So both those questions.

>> Mayor and council, Shannon Jones, director of austin-travis county health and human services. Specifically we do have what we refer to as a tier fee, but it's primarily events 401(k)ed. Those events are for one to two days. Currently those are \$35 per booth. Three to five days, \$70 per booth. And then six to 14 days, \$90 per booth. Now, that does not cover the cost of service for those activities. So therefore that's why we find ourselves in terms of the reduction. In terms of non-profits, particularly council always has the opportunity to exempt those, and so obviously if council chooses to do that, that's an option to do that. So that's a mechanism to be able to provide that exemption that councilmember Renteria was referring to if indeed that's something that council so chooses to do.

>> Mayor Adler: Do you have a feel for how much of the fee revenue comes from non-profits versus comes from for-profits?

>> I don't want to guess on the exact number. I don't know if we have that handy, but we can certainly get it to you. But the majority of them would come from not from non-profits, but from the other vendors.

>> Mayor Adler: They would come from for-profit companies?

>> For-profit.

>> Mayor Adler: Okay.

>> Renteria: Mayor? What I was talking about also is that these little neighborhood groups that have an event, maybe once or twice a year, they don't do it as -- for anything else, but they have -- they might not be non-profit, but they support a little league team and they win and they're going off to the playoffs and they need that little extra money and they do the little fund-raiser.

[6:54:55 PM]

How would you respond to those groups?

>> Well, what we've tried to do is emphasize of course why we do this. We're not doing it just for the sake of fund collection. We want to ensure that we don't have any risk or health risk. So that's the purpose of doing that. Council may choose to give direction for us to look at other methods to be able to target that type of group if indeed that's their choice. Right now, as I said, if it's one time a year, from one to two days, it's \$35 a booth. Now, I understand that may be big for a small community organization, and so if council obviously chooses to address that -- I mean, for us not to address that, then we'll follow their direction. But the goal of this is to try and cover the cost that's that we currently have for those and right now we're operating in a deficit because we haven't been able to get those -- we've been directed not to collect those. Roughly the cost is \$98 a booth so you see the difference in terms of the cost per number of venue and per number of days.

>> Renteria: What I'm saying is these little neighborhood groups don't mind paying the \$35, but when you're raising it up that high up to 90 it's like a sticker shock. They go wow, my god, we can't.

>> We certainly understand that and we're currently operating in a deficit, but those costs are still incurring despite that, though.

>> Mayor Adler: So what would you do -- what would be the financial ramifications of saying that any non-profit had one opportunity to do it at the existing fee and then thereafter it would be at the increased rate?

>> Before I give you an answer I would prefer to run those Numbers because we need to look at the number of non-profits. We've talked about the frequency of those and then giving you an estimate. Our concern would be is that we would be clear as to what constitutes a non-non-profit or an organization that operates outside of that so that we won't have, say, churches and other groups that may -- or non-religious organizations coming up and saying, well, I qualify for that.

[6:57:04 PM]

So we need to be clear in terms of our definition of what is the exemption. Who do you want to give the exemption to.

>> Mayor Adler: If you could give some thought to a rule that we could adopt that would save the kind of situation that Mr. Renteria is describing from having to pay the higher fee, but still not lose the vast majority of that fee in order to create a policy that caught them, it would be helpful if you could articulate what you think a reasonable approach to that might be and what its financial implications might be.

>> We'd be happy to get back with you and give you some recommendations on that.

>> Mayor Adler: Thank you. Mr. Casar.

>> Casar: Mayor, I would like to indicate my support for raising the fee on the repeat offender program, raising the development fees, considering the work that we're doing in permitting. And then also my support for our organics program. The reason being that I think it's very important that we quality extraalties and the cost of more and more things going to the landfill and I know it's a hard sell to our constituents because you see the bill every month that comes up for organics, but it's much harder for folks to see and feel the bill of landfills and increasing waste, but I think -- I see that as sort of part of our charge and I think that pushing this sort of innovation is very important. So I'm very supportive of giving that organics program a shot. And if there isn't enough outreach to community as councilmember Renteria mentioned, that it could struggle I will if we don't get that sort of outreach, but I think that's a separate problem that we should address rather than not doing the program at all.

>> Mayor Adler: Miss tovo.

>> Tovo: I agree. I support the organics program, as well as increasing the fee to cover the cost.

[6:59:06 PM]

I'm struggling with increasing the fees for inspections, but it is a significant amount of money. When we decided not to move forward in that direction yet, it was with the expectation that we were going to have some options presented to us -- I think we asked the impact fee advisory committee to look at that. I hope we can get an update about their work, or the work of whoever was looking at those and see what the options are. While I don't want to make it impossible for small groups to have events, I do want to ensure, obviously, the safety of those who are eating their food. And I think it's really too significant of a cost to the city to continue the way we are. So I do -- I agree with making a change and shifting those fees up to the cost of service. But I'm open to options that would make it less impactful if there are some out there.

>> Mayor Adler: Anybody else on fees? Yes.

>> After dealing with the short-term rental issue and the fact that lower penalty and violation fees don't

necessarily encourage people to comply, I think that definitely raising the fees -- also doing something that bases it on the number of units, then, would penalize the larger property owners appropriately compared to small property owners. But I do think that that's a really good hammer that we can have to encourage people to not violate, and to be in compliance.

>> Mayor Adler: Further comments on fees? Okay. We're going to move on to the next area, then. The next area --

>> Zimmerman: I wanted to comment quickly. I was listening about the code enforcement.

[7:01:07 PM]

And we heard on Monday that code enforcement -- I believe the number was \$300,000 that they were bringing in from the registrations, and that's what they were using to pay the code enforcement officers that were working on str inspections or enforcement. They do have a few officers because of the money that's coming in from the registrations. That's what's going towards paying those two code officers that are working on str enforcement.

>> Mayor Adler: Okay. Further comments? We'll move on to the next area, which was utilities.

>> Mayor Adler: Anyone want to discuss anything in particular in the utilities budget? Ms. Tovo.

>> Tovo: I am supportive of 3.16, of adjusting the tariff so participants in the veteran's administration supportive housing can qualify for the assistance program. If it hasn't already been asked, we should get an update -- I may have submitted this question -- where we are in it the waiting list for the customer assistance program. There was a point during the year where I believe they weren't actually getting down to the lower programs because the programs at the top of the tariff were taking all the available spaces. To know whether we'll capture anybody participating in the vash program, I think we need to have an understanding of what the wait list looks like. And also, we probably need to have a conversation about where this is going to be in the list of programs that are qualifying, because where you put it matters. That's what -- one of the things we learned.

[7:03:07 PM]

That unless I'm misremembering this, if we add it at the bottom, it means that there would need -- that it would be the last category added. You know, there are a list of -- I'm sorry, it's too late, we've had so very many meetings this week. There's a list of qualifying programs. If this one is at the bottom, if that's their only qualifying program, they may never -- or they may have to wait until -- for a while, because the waiting -- because it's being filled by the people who are in those first category of qualifying programs.

>> It's like first come, first serve.

>> Tovo: It is my understanding that the staff -- they get added based on the prioritization.

>> Thank you.

>> Tovo: We should get clarification of that and the updated wait list Numbers.

>> Mayor Adler: I would love to know the answer to that question. It just happens that way, or is that a council policy? Did it prioritize the programs for participation, as opposed to first come first serve from among the programs?

>> Tovo: It wasn't clear to me. I think we probably should have that discussion. He's here, but --

>> Dryfuss, regulatory affairs, corporate communications at Austin energy. On Monday, we sent you a memo with an update on the upgrades to the program that was discussed at last week's budget hearing. The number for the current number of customers on the wait list is in the memo. I don't have it today. As far as the programs, there's seven different programs that currently qualify customers for the cap. We have a steering committee of public entities that we work with in making recommendations and

design of the cap program, and the steering committee set target Numbers for each of the seven programs.

[7:05:16 PM]

Every month when we run the system, if there are more customers than can be enrolled in the program, they're prioritized based on the recommendation that the discount steering committee had given to us for the number of customers in each of those programs. I would note the waiting list typically takes about two months to cycle through, sometimes less. Just as far as the vash program, if that is your wish, we are happy to add the vash program to the cap, but, as noted in the memo, we are currently working with the discount steering committee to look at all veterans programs to see what's the optimal way to integrate them into the cap, if that's your wish. And so we would prefer to bring you a recommendation when the discount steering committee has completed its work on that, and then we could bring an item to amend the program at that time without having to do it in the budget.

>> Mayor.

>> Mayor Adler: Yes.

>> Casar: So I saw on the memo that there's 933 folks on the waiting list. When we submitted the budget concept about what it would cost to get everybody off, it came up as 0. Does that mean in the proposed budget we would estimate that in the Normal cycling of things, we would get all those folks off the waiting list and try to make sure that number stays at zero?

>> There is a target -- we collect approximately \$10 million a year for the cap program. But in the first year when we introduced the program, it took quite a while to put the program into place. So we accumulated an overage that allows us to add more customers on the cap program than the original target. Month by month, we are working off that accumulated overage.

[7:07:17 PM]

Should you direct us to clear the wait list, we would use the accumulated overage to add customers to the program at no additional cost through rates. And then in the cost of service study that is coming up, we will provide you with information about the cost of running the cap program at different levels of enrollment so that you can then consider in the cost-of-service study setting the appropriate amount of revenue for the cap program once we've worked off the overage.

>> Casar: I guess my question is, if we want to clear that wait list and have the accumulated overage, is that direction we need to give in the budget, or is that direction we need to give separately?

>> I think you can give that direction in the budget, and then we would not have a wait list. We would enroll all the customers on the wait list, and work down the overage more quickly and get to a point where we topped out.

>> Casar: Okay. Let's follow up about that. But, that's seems to me, then, the zero number that came back on our budget concept to enroll everyone that was on the wait list would then have a number, a one-time cost number associated with it. That would be great to get back.

>> Okay.

>> Mayor Adler: Ms. Houston.

>> Houston: I have a question about 318, because we're asking for \$500,000 increase in the customer assistance program.

>> I'm -- as I said, we do have some accumulated funds. And so we could enroll additional customers in the program. We would work off the accumulated funds more quickly, and at some point, we will reach a point where we have capped the number of customers who can be enrolled in the program by the annual revenue of the program, because we'll have worked off the excess.

[7:09:19 PM]

And then we'll have to revisit with you what your targets are for the program, and that has always been our plan for how to deal with the accumulated overage. If you ask us to enroll more customers, we will reach that point more quickly.

>> Houston: And how much is in the accumulated --

>> It's several million dollars. I don't have that material with me today.

>> Houston: You can get that for us? If we've got enough to enroll everybody that's currently on the wait list, I would hate to have to be adding \$500,000 if we've got enough to cover that.

>> The overage today is about \$5 million. We're working off some several hundred thousands dollars of that every month. But it's certainly enough to accommodate the additional customers who qualify under our current program, and then we'll just speed up the rate at which we work off the overage, and we have to look at resetting the program.

>> Mayor Adler: Okay. Thank you. Anything else on utilities? Generally, the conversation we had earlier, with respect to moving money around in utilities, Ms. Gallo, the place from my views to handle transfers and what they get charged for or not is a much bigger conversation that I think we need to have in the fall. And I think substantially change what we're doing. I just think it's too big a lift for this budget process. The next item, our financial policy items. Anyone want to discuss any of the financial policy items? Ms. Tovo.

>> Tovo: I just wanted to indicate that the audit and finance committee discussed these at our meeting yesterday, and voted unanimously.

[7:11:23 PM]

We believe that we voted unanimously.

[Laughing]

>> Tovo: No, we didn't vote unanimously.

>> Mayor Adler: You should finish the sentence.

[Laughing]

>> Tovo: We discussed them.

[Laughing]

>> Tovo: It was unanimous with one member off the dais.

>> Mayor Adler: Okay.

>> Tovo: We voted to recommend them to y'all.

>> Mayor Adler: Which ones would those be?

>> Tovo: All of those that are being brought forward as recommendation from the staff. And I believe we have those on the separate sheet that was distributed here this morning. And it was placed on the dais. Those are the financial policies related -- I'm going to have to rely on Mr. Van eenoo, possibly. These are related to the reserves, to the convention center, financial policies.

>> Mayor Adler: You're talking about financial policies that are not on the concept menu, but where in the memo --

>> Tovo: Yes, I apologize.

>> Mayor Adler: That Mr. Van eenoo sent out.

>> Tovo: Yes.

>> Mayor Adler: Okay. Separate and apart from the financial policies that were in the memo, on the cop September list, anybody want to discuss any of those?

>> Renteria: I don't understand. I have a concern there, 2.06. And the 20% reduction. What would --

what's the 20% deduction? How would it affect the overall travel budget and training amount put in? Is that for the whole department, all the groups?

>> Mayor, would you like me to address that?

>> Mayor Adler: Yes.

>> Gallo: So we just -- our thought process in this is, as we are looking at increasing funding for needed services throughout the community, that perhaps the city departments would be willing to assist us in doing that by doing a little belt-tightening.

[7:13:27 PM]

And so we just wanted to try to get a figure. And we presented 20% as a place to start. This would not tell the departments specifically where they would have to cut. And I think in your concepts notebook in that section it gives the list of all the different departments and the categories that the current budget is for. And so you can see that there's a lot of differences between the departments. You know, our intention is not to micromanage how the departments operate, but just wondering, in a sense, if there are some places that with just a little bit of belt-tightening we can reap benefit and gain funds to pay for other programs that we're talking about doing. But, it was an interesting read just to see what different departments, also, are spending on different things, too. So it's the beginning of the discussion. It's a pretty substantial amount. It's about 3.5 million, and once again, 20% was what we threw out. It certainly could be a smaller amount, but, it just seemed like it would be a partnership in trying to tighten belts to try to accomplish things.

>> Renteria: The reason I have concerns is because, you know, hardware and software, sometimes software can become very, very expensive. You know. It's very hard to determine, because a lot of that is licensed code that you have to pay for. And then -- or the hardware, that's probably going to be your biggest expense there than any of the other ones.

>> You know, actually, if you look at it, some of the biggest expenses are travel, memberships. I think if you go through the sheets that are in the notebook, it's interesting. Like I said, it may be that these budgets are the type that there's not places to cut. But it seems like that might be an opportunity where departments could really look at some efficiency and step in and help us fund some of these programs we're trying to fund.

[7:15:33 PM]

I should mention, also, that I think that a lot of the items that are in the police department budget would need to stay. I don't know that we can reduce theirs, because there are a lot of equipment that they're doing. You know, gas cylinders for breath test calibration, traffic vests, badges, helmets for motorcycles. I think there's some equipment issues. Canine, radar, emergency raid, digital recorders, body armor, things like that that I don't know we would want to cut. I would support leaving those items still in the budget and not cutting it back.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: So, is this an item that you'll be doing further work on for suggestion for us, I guess?

>> Gallo: Well, I think the staff has done a great job. Budget has done a great job in your concepts notebook.

>> Kitchen: Okay.

>> Gallo: There's a multipage per line item per department.

>> Kitchen: Okay.

>> Gallo: Listing. And I think if any of us wanted individual breakdowns on those, it's pretty specific already.

>> Kitchen: Okay. Well, then I would have a question about -- I just would like someone to talk about 2.13, and explain what the thinking is there.

>> Is that the same item that we were just talking about? Because I had a question about that item.

>> Kitchen: No, that was a different item.

>> Mayor Adler: We'll come back to you in a second.

>> Tovo: Councilmember Gallo, in looking over the items, this is a very interesting question. I appreciate you and councilmember troxclair for asking the information that yielded this. I'm looking at the answer to number 81 and all the line items, and I wonder -- I mean, one weirdness that I notice is that the Austin public library's book budget appears to have popped up. And so, I think because -- I assume because of the way it was worded, because it talked about subscriptions.

[7:17:37 PM]

I mean, that is a pretty big expense. It's almost \$2.8 million of this appears to be the book budget for the general libraries, which is different from the kinds of other things you were describing.

>> Gallo: You know, that surprised me, too. It seems like that's an interesting way to categorize that. That is such a large amount that perhaps it should be budgeted within the library -- within the department's budget in a different way. It doesn't seem as much like incidental expenses.

>> Tovo: No.

>> Gallo: Which I would consider all of these to be.

>> Tovo: Definitely.

>> Gallo: I agree with you there. I think that's the exception, I think, to the discussion here. Is that that, to me, seems like a line item that, perhaps, because of the size of it, should actually be somewhere else than where it is showing here.

>> Tovo: Thank you.

>> Mayor Adler: Okay. We'll move off this one, then, to the next line item. And there was a question about --

>> 2.13.

>> Mayor Adler: 2.13. Can you describe -- you want to introduce that?

>> Sure. Well, this -- I may need some help from our financial staff here, but we have an informal policy, I guess, that is now being added to our official policies that we maintain 12% in our budget stabilization fund. And the financial staff -- or I guess the budget that's in front of us increases that balance to 12.5%?

>> Okay.

>> Troxclair: Which is a pretty significant amount. And I just don't know. I'm all for making sure that we have a rainy day fund and saving as much money as we think that we will need for emergency situations, but I don't know if this year, again, with the rising cost of living, is the year we want to increase it from 12% to 12.5%.

[7:19:47 PM]

So, I think, ed, did we -- did I see an email or a memo or something that said that that \$9 million number was wrong? Or is that correct?

>> I didn't know it had gone out already, but the \$9 million number is double what was stated, it's more about 4.9 million is the difference between going from 12.5 to 12%. I apologize for that.

>> Troxclair: That's okay. That's no problem. I understand that. But, even still, \$4.9 million is a pretty significant sum of money. So, looking for, kind of, the low-hanging fruit of things that are around during this --

>> Mayor Adler: Could you explain to us why you made that change? Why 12.5 and not 12?

>> Well, the way our reserve policies currently are structured, we proposed changes that the audit and finance committee supported. But, we have that one governor on the budget stabilization reserve that says we shouldn't draw it down by more than one-third. When staff was doing our work, reviewing the department and equipment needs and vehicle and technology needs, we didn't feel that we needed to draw that down to meet those needs. So, that was about \$2 million, you know, within that current one-third drawdown policy, would still stay in place under the new policies. But, it's a matter of the amount of moneys that we're projecting to flow into the fund, versus the amount of money that we're projecting to flow out. The end result was 12.5%. It's not that we were trying to get it to be 12.5%. We were looking through department requests and needs for equipment, technology, and vehicles, and in funding those, that's just where the reserve level ended up at the end of the year.

>> Mayor Adler: Has 12% been a general governor?

>> 12% has been a practice of this city for many years. It's not a formal policy, although we're proposing to make it a formal policy in this fy16 budget.

[7:21:50 PM]

But, it has absolutely been a practice of the council for many years to strive to keep a 12% reserve level, combined reserves for the general fund.

>> Mayor Adler: So would it be fair to say that consistent with past policies, if there were other one-time expenses that the council thought were appropriate expenses, it would be prudent financial policy, and consistent with past city policy to spend that \$4.9 million?

>> The \$4.9 million would be consistent with past practices, for the 12%. And it would also be consistent with the 12% policy. This other policy that exists that talks about our budget stabilization reserve, which is one of the three policies, that policy says that that reserve shouldn't be drawn down by more than one-third in a year. So, by drawing it down by this amount, that would violate that policy.

>> Mayor Adler: And the three policies were, don't draw down more than a third --

>> There's an emergency reserve that's a fixed amount of \$40 million. There's a contingency reserve set at 1% of the general fund operating budget, and then there's the budget stabilization reserve which is everything else. And the practice has been to keep the sum of those three above 12%. That's -- look at it as that's one limitation that councils have set in place for the use of those reserves. Keep the total at or above 12%. The other limitation that council has approved through their policies is that that budget stabilization reserve, which is really set to be used to help fund one-time capital needs in our general fund departments, the council has said we don't want that disablization reserve to get spent in one year. It shouldn't get drawn down by more than a third in a year. That's the policy that's kind of creating the stop this year. You hit that before you hit the 12%.

>> Mayor Adler: Help me understand the basis for that.

[7:23:51 PM]

I can understand setting a set amount for emergencies. Based on what you think the risk is. I could understand setting a minimum that was 12%, because you wanted to maintain that minimum. As your budget grew, you would want that to grow. But not having the budget stabilization get drawn down by a third would seem to be almost a factor of how well you -- how much you over-budgeted the year before relative to what you were actually going to spend. I mean -- why is that -- why do we have a policy that relates to the one-third?

>> I think the thought behind the policy is that if we didn't have extra revenues -- I don't know what the term is, extra surplus -- on our revenue projections, usually our revenues come in higher and the additional revenues flow into the reserves. But if you're in a situation where your revenues came in

maybe below what you had anticipated or came in right what you had anticipated, you know, if you were to draw down that fund, you know, it could go away very quickly, right. And so I think that was the idea behind it, was to create some governors on the use of the stabilization reserves so that they weren't all expended in a one or two year period so that it would be there for future rainy days, as well as current rainy days.

>> Mayor Adler: Would it make more sense, if that was the purpose, to set a goal that said your stabilization fund should never drop below a certain percent of your budget?

>> That would achieve the same goal.

>> Mayor Adler: In one year, I may overspend my budget so I don't send any money to the stabilization fund, in which case I still want to build my stabilization fund up so that it maintained a certain percentage.

[7:25:53 PM]

But in a year where, for whatever reason, there was a windfall and a lot of money came in -- I mean, it just seems to me that by setting it as a percentage, that might be actually more related to the concern that in any given year I had sufficient stabilization fund. Would you think about whether there was a more appropriate measure than "Don't spend down more than one-third" that you thought was more fiscally prudent, and just give that some thought?

>> Well, and I think you're taking a step that way. It's not specifically about the stabilization reserve, but if council were to endorse having an aggregate reserve of 12%, that's a big step towards what you just talked about. It talks about all three reserves, saying the goal is to keep all three at or above 12%. And so, you know.

>> Mayor Adler: I understand that. What I don't know is, separate or apart from that, regardless of what happens to the other two, if they became overfunded, we may want the stabilization fund to be in a certain place because it's used for a different thing. So, it might be overlapping percentages. I don't know.

>> The way that -- you know, the new policy, if council were to approve it, the emergency contingency reserve would be merged into a single fund set at 6%, so there wouldn't be any chance of that emergency reserve ever getting overfunded. It would just always be 6%. It's the stabilization reserve that would continue to float. And so I think -- and the 12%, essentially, between the two of those, you're saying the emergency reserves should be 6% and held in abeyance strictly for emergency. And the stabilization reserve should be at least a 6% as well. That's how you get to the 12%.

>> Mayor Adler: Okay. So, the question I'm asking is, if we set it at 6% and that's the policy, is that a more prudent policy to have -- to safeguard the stabilization fund than one that says you don't draw it down by more than a third?

[7:28:00 PM]

>> That's something I'd like to give more thought to.

>> Mayor Adler: Thank you. Thank you.

>> I have a question.

>> Mayor Adler: Yes. Ms. Troxclair.

>> Troxclair: Mr. Van eenoo? Did you say that even if we were to leave everything as-is -- I understand. What you're saying is, even though we're increasing the reserves to 12.5%, but you've already allocated more than a third of that money that would be in there to expenses. So, increasing by another 4.9 million violates our one-third policy. But, did you also say that if we kept all policies exactly the same and we didn't make any changes, although I appreciate the mayor trying to come up with something

that would maybe be more compatible, did you say that there is \$2 million in that fund that is not accounted for?

>> That's correct. And so there's -- in terms of this one-third drawdown, we are currently \$2 million below what the one-third drawdown policy would allow for. I think we're at \$29 million, expect one-third drawdown would allow for 31 million. So there's \$2 million you could go and still be within that policy. There's another million and a half dollars in this budget based upon the current policies, the 2015 policies, which are the last policies that council has approved, there's another million and a half dollars that would be going to the contingency reserve. If council endorses this new policy approach where there would no longer be a contingency reserve, there would be just a combined emergency reserve, we don't need that transfer to this contingency reserve, we'll disband the contingency reserve and we wouldn't need that transfer. It would be an additional million and a half available to address your priorities if council approves these policies.

[7:30:01 PM]

Between that million and a half and that 2 million, that's most of the money towards 12%. So those two policies combined would lower you from 12.5%, I'm guessing here, to about 12.1% if you did those two things. And that's why I said in the memo, you could do those two things and you'd still be beyond your 12% goal.

>> Troxclair: Thank you.

>> Mayor Adler: Okay. Ms. Tovo.

>> Tovo: Which is a good thing, because we have identified some priorities on this list that I think could benefit from that funding. So, I'm supportive of doing this.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: I'm just wanting to understand. So, you were stating all these things contingent upon us changing the policy. What is the timeline for that?

>> These policies are in your proposed budget, I think it's on page 729 of volume 2.

>> You know the page number.

[Laughing]

>> I do know the page Numbers. So, these policy changes we're talking about are articulated in the financial policies. Upon council approving the budget, those would be the new policies in place for fiscal year 2016. The \$2 million is not contingent upon you changing your policies. That \$2 million is within the current reserve policies that says you can draw them down up to a third. The other million and a half would be going to the contingency reserve, is contingent upon the group disband -- getting rid of the contingency reserve and just creating a new two-reserve approach, an emergency and stabilization reserve.

>> Kitchen: Is 2.13 on top of the Numbers --

>> I think that was troxclair saying that the reserve levels we currently are at, the combined reserve level is 12.5% and we could draw those down all the way to 12%.

>> Kitchen: No, I understand that. I'm just trying to understand --

>> It does overlap those other two things.

>> Kitchen: That was my question. It overlaps.

>> I think Diane was telling me it's 4.1, the correct number should be 4.1 million.

[7:32:05 PM]

Of which 3.5 are those other two things. And there's another \$600,000 you could still go to get all the way down to 12%.

>> Kitchen: Gotcha.

>> Mayor Adler: Ms. Troxclair.

>> Troxclair: I feel like I have to follow up, mayor pro tem tovo's comment about there being things we could use the money for. My strong preference, written into this item, is that we use this money to draw down the tax rate. I just had to put that out there.

[Laughing]

>> Mayor Adler: Got it. All right. Are we ready to move on to the next page? Anything else on this revenue pages? Yes.

[Off mic]

>> Mayor Adler: I'm sorry, I can't hear you.

>> Given that we all multitask, you know that, I have to read you the text from my husband who for some reason is watching us instead of the golf channel. I'm not quite sure why. The question of the evening, do you know why an Austin city council meeting is like the ever ready bunny?

[Laughing]

>> We keep going and going.

>> Mayor Adler: Okay. We're on the next section. All right. Quality of life agenda.

>> Wait. Financial?

>> Mayor Adler: Yes, did you want to raise another financial?

>> I think you were going to talk about --

>> We have a tag team here.

>> Mayor Adler: Okay.

>> Casar: It's great to have you next to me to remind me. I put a concept on to reduce the advertising budget in the code department. We've had lots of folks talk to us about wanting to feel like they have more trust in access to the code department. I think the resources could be better-directed, potentially. So I'll look forward to having that conversation as well.

>> And just to follow up on that and expand it, I really want us to look at the advertising budgets in all of the departments. And once again, I think this is a place with, perhaps, some belt-tightening that the city departments can help us provide and fund some of these programs we're talking about.

[7:34:14 PM]

And not to pick on code, but I recall seeing the commercial that they're running, or have run. And my sense is when we're so tight and stressed for the need for additional staffing and additional benefits for staffing, you know, I think in a lot of circumstances that we have to make choices of how we spend our money. And I would prefer to spend our money on people instead of advertising, unless there's really a reason that the advertising is critical for the operations of that department. So, I just think it's a place to start looking at, perhaps -- and get the departments to help us look at their budgets.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: I would just like to hear about 2.04 just to make sure I'm understanding the thinking there, and are the Numbers here the Numbers that were entered? That's the one that's debt funding. I don't know who.

>> Mayor Adler: I had asked this question. And the question was, what things existed in our budget that we were paying for with recurring money that represented an expenditure that had a life of three or more years. And what I wanted to focus on were those things that were not reoccurring types. So, the first question was the global question, what things are more -- that have a life of more than 3 1/2 years in a market --

[sneezing]

>> Bless you.

>> Mayor Adler: Where we have very low interest rates. If it was an expense that was not reoccurring, by financing it, we could even out that coast over the length of the deal. And I think this was the answer that came back. The other question I asked as a followup question, and I'm not sure I know the actual answer, is if you were to take out those things that are not -- that have a life of more than 3 1/2 years but occur every year.

[7:36:28 PM]

You have to buy a truck every year. And even though it's a long-term expense, if you were financing each of those, then all you would end up doing is paying extra interest rate, because you'd ultimately be paying the same amount of expense every year. And my recollection was -- I'm not sure we have an answer to that. But, the number was significantly lower than what's shown here. Do you remember what the number was?

>> I don't know that we've completed that work yet.

>> Mayor Adler: Okay.

>> Most of these things, you look under that column that says one-time funds, \$9.9 million, that's the fund we were just talking about in reserves. That's the stabilization reserve, part of it. That's the source of funds we use for a lot of equipment and vehicle needs. And so these are the portion of the vehicles that staff felt would be appropriate to issue debt for. So, essentially, they have a lifespan longer than seven years. We don't want to issue the obligation when the asset may last three year. These are vehicles that are like a fire engine that's going to have a much longer life. And that would be appropriate to use debt for, which, of course, if you were to debt finance those, at least in the immediate term, in the immediate year, that \$9.9 million of the stabilization reserve that's going to pay for those vehicles would be available for other priorities. As the mayor said, that's not typically staff's approach to these types of things, because most of these things are recurring. Even though a fire engine may have a 12-15 year lifespan, we buy them every year. They're one-time, but they're kind of like a recurring one-time.

>> Mayor Adler: My followup question was, can you put a filter on that and exclude from those Numbers the items that are a fire truck that's being purchased every year, if we were to accept that that was not an appropriate thing to finance because it was -- even though that particular item had a life that was greater than three years, you were making this same kind of purchase every year.

[7:38:40 PM]

>> Yes.

>> Mayor Adler: If you could tell us what the Numbers would be with that filter put on it, that would be helpful.

>> Okay. Perhaps we could revise this concept, then, in the next update. Try to boil it down to that number?

>> Mayor Adler: Or add it as a 2.04a with that filter on it.

>> Sure. Makes sense.

>> Mayor Adler: Anything else on the financial side? Ms. Tovo.

>> Tovo: Just quickly, I appreciate my colleagues who are looking at advertising budgets and things. I'm interested in taking a look at those, but I would absolutely have concerns about 2.06, 20% reduction that is based in largest part, it looks to me, on the book budget, the library's book budget. I am also interested in seeing the information that gets turned up, councilmember Casar, in terms of advertising within code. I agree with the point you just made. And I noted a \$50,000 expenditure for logo and branding for development services. That would be the kind of thing I would want to see done in-house, or at least I'd want to know why that's not being done in-house at that level of expenditure. And I

neglected to mention when I was talking about utilities, so I'll just mention it here. I got an email earlier today with some feedback about one of the rates. You know, we talked a lot earlier in the year about the special contracts rates. And we agreed to have the utility go off and bring back some rate proposals. We haven't had an opportunity to talk about them but there are two we would be approving in this proposed budget. I hope we'll have an opportunity for the staff to lay out those proposed rates for those two large companies. I think it's very significant in light of the earlier conversations, and I'm -- anyway. Would really like -- really believe it's important that we have an opportunity as a council to at least understand what those contract rates are proposed to be, especially given the focus we put on it earlier.

[7:40:43 PM]

And I have asked for some information about what the revenue impact is if we change the demand charge. The threshold for the demand charge for small businesses. We had some testimony about that at last week's budget session, and that may be something I move forward with on the concept, depending on what that revenue loss would be.

>> Mayor Adler: Okay. We also have a question, just because it struck me here, and I may lose it later. We have both things that are on the q&a and on the concept menu. And the q&a is something that is kept and preserved over time. We had -- mayor pro tem brought this up as a way for us to move forward in the next week or so. If people would submit questions to you, if you would put those on the q&a so that they're recorded there. And when someone submits a question and answer, if it's something that you also intended to be put on the concept menu, to note that. So that it would be on the q&a, if it was also to be on the concept menu, it would be pulled to the concept menu, and if you were putting something on the q&a that required a substantial amount of work, you would note who the cosponsor is that you had with that. That way we wouldn't have some things in one place and some in another, they would all be in the q&a, and those things that were appropriate to be put on the concept menu, you would also just carry over. Would something like that work?

>> I think we're trying in this binder. If there's a q&a that pertains to a concept, it should be in the backup. We haven't done the other part. We can start doing that in the q&a, mention that information, that this is something that's on the council's concept menu and here's the sponsors.

>> Mayor Adler: If something shows up on the concept menu, copy it to the q&a so it's preserved.

>> Everything in the concept menu would be in the q&a.

[7:42:49 PM]

>> Tovo: If it's a question. There are some things on the concept menu that are really adding -- making an amendment. Making a proposed amendment based on a question that's already been asked.

>> Mmhmm.

>> Tovo: The suggestion was really just about those things that are questions. Making sure they kind of live in the q&a process so that we can go back to them easily and we don't have to try to remember where the response is to that question, whether it lives in the concept menu or whether it lives there.

>> Mayor Adler: Okay. Continuing on, I think we're out of financial policy. That takes us, then, to the next area, which is the quality of life items. Ms. Houston.

>> Houston: Thank you, mayor. In 2005, the African-American quality of life was completed by the city. And here we are ten years later, and very little financial support has been provided to the areas that had been identified. And so what you see in 12, 13, 14, 15, 16, 17, 18 -- well, all the way down to 22 is about the kinds of supports the community feels that they need to improve the quality of life for people of the diaspora in Austin. Some of those have been prioritized. I just took them based upon what I was given in this 2014 resolution that never got anywhere. But some of them had been prioritized. And, of course,

employment and education are the first items. And that would include the African-American youth harvest foundation, the -- somebody put acronyms on here, so --
[chuckling]

[7:44:49 PM]

It's an organization that educates formerly incarcerated individuals, and Latrice Cooke is the founder and the person that maintains that. The city has provided some assistance. Last year with finding her a place. The original program is out of bass drive, but she's moved into Austin, and so the city did help her find that. There's some summer youth events, youth employment programs, so that would be the first priorities. The second would be neighborhood sustainability and housing, and that would include helping neighborhood housing find homeownership for people who have been relocated out of their places where they have lived into a new part of town deeper into east Austin. And helping people with their taxes so that they can remain in their homes. Also, recognizing that since section 8 vouchers are no longer accepted all over Austin, we need to find some way to ensure that people who have those vouchers are able to find the kinds of housing that is safe and desirable. And the third thing is health. The disparities in health have been talked about for years. And we are now kind of focusing on things like cancer and hiv/aids and trying to make sure that education gets out in the community in a way that is culturally specific and that people understand that there are preventive measures that they can take. And the fifth -- fourth one is about police and safety. We've kind of talked about that already. And the fifth one is about arts, culture, entertainment, along with business and economic development. So, I know it's a lot of money. I've lived in this city long enough to see things get funded that cost twice as much and it didn't take this long.

[7:46:55 PM]

So this is a 10-year project that has been -- people have been asking for some support for a while. And so that's why that's been included in this budget concept list.

>> Mayor Adler: Are these all items that are general fund recurring expenses, or are some of these items that could be funded -- appropriately funded with one-time funds? Not fair to ask you as we sit here right now, but I think it would be helpful. Ed, I don't know if -- has that analysis been done as this was posted?

>> That has not been done. A number of these items are not very well-defined yet. I think these Numbers came from a recommendation from the African-American quality of life commission. And the details are not fleshed out in that recommendation, just that it should be \$15 million for these six different areas.

>> Houston: So, for example, under 1.17, where it talks about police and safety, that's where the body cameras would be captured. So that we could go ahead and start working on getting body cameras for the whole police force and be able to draw down some grant money to support that while there's still grant money there. So some of the things that people have talked about tonight, like the African-American cultural heritage district, that pr probably -- 1.19, perhaps the Austin visitors bureau could help fund that. To the tune of \$234,000.

[7:49:01 PM]

But some of these are reoccurring, some are one-time funding. I'd have to go back through and look at that. But the body cameras would be, at least initially, a one-time funding, and then that would fold into their budget.

>> Mayor Adler: All right. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. So, I do have a couple of questions on this, too. So -- and maybe it's a question for legal. So, if we went and did, say, I don't know, 2.5 million or 10 million or whatever it was under the auspices of African American, wouldn't next year, maybe native Americans would come and ask for 2.5 million, then European Americans, or Indian Americans, or Asian Americans, and we would -- and then if we didn't respond accordingly to each group, we could be sued for discrimination. It's a legal question. I guess --

>> Houston: Well.

>> Zimmerman: I'm confused.

>> Houston: I don't have a legal answer to it, but Europe European Americans have been getting stuff all the time. We're just trying to catch up.

>> Zimmerman: The chamber of commerce, I've been trying to get them defunded. I don't think those are all European Americans, they're diversified, too. But the question, legally is, doesn't that expose us? We have all kinds of anti-discrimination laws, so I'm confused as to why that wouldn't open us up to some attack.

>> I'm not sure it's a legal question. As long as you are spending money for municipal purpose, it's a policy decision about how you spend that money.

>> Zimmerman: Okay. I'll make a followup question. The issue of body cameras is definitely an austin-wide issue. It has nothing to do with any ethnic group. I think all the people of Austin want these body cameras, police body cameras. You know, we want that as a city, not as any particular ethnic group.

>> Mayor Adler: I think what you're saying there, I think I would agree with. I mean, a lot of things that certain groups of our city want, I think are things that are wanted by the whole city.

[7:51:09 PM]

Things that are happening in some district are things that are wanted by the whole city to happen in those particular districts. I think that's a great thing when that happens. Anything further to discuss on --

>> Renteria: Mayor.

>> Mayor Adler: Yes.

>> Renteria: I just want to say that I'm going to ask to take 1.39 out of the \$1.2 million to develop lot 64. Since we just went into a contract for two years plus, I think I'm going to bring that issue back up here in the next two years. Or maybe two years from now, because then I don't have to run for reelection until four years from now, so I'll be working on that.

>> Mayor Adler: Okay. Any further conversation about any quality of life matters? Ms. Tovo.

>> Tovo: Just to mention, I think people had left for dinner, but really, the same question I asked of councilmember troxclair where there are items that are -- that maybe we don't have a corresponding question and answer about to really -- it would be very helpful as we move into this phase where we're going to have to vote to know if you're proposing funding for a particular organization, do they already have a contract through culture arts contracts, or a contract through health and human service, and if they are, if we could spend a little time talking about why we're bypassing that process to increase their funding beyond what the existing contract is. And then also, you know, again just sort of general information about what -- you know, what the, kind of, time period is.

>> Houston: And mayor, I think that's a great ask, especially for cultural -- social service contracts.

[7:53:14 PM]

To find out how long they've been doing it, how long they've received the funding, what the metrics are, and whether there's an overlap. Because there's some duplication in social service contracting.

>> Mayor Adler: Okay. Ms. Garza, and then Mr. Casar.

>> Garza: Yeah. I just have some general thoughts about our quality of life menu, concept menu, and also health and human services, which I'm not sure we'll get to. But I do want to point out that I feel like the majority of our public hearing was made up of people asking for things from these lists -- from the quality of life, and from the health and human services. So -- and this is going to be one of the hardest ones. And as I look at it, I feel there is overlap. For example, councilmember Houston just pointed out 1.17. If I'm understanding, if we fund the body cameras in the public safety, this would be not an additional cost, correct? And then there's also discussion about increasing the health and human services budget by 6.7 million, and I do think that some of these would kind of fall under there, because, you know, the disparity study for health really impacts the African-American and the hispanic communities. So, I think there's a lot of overlap that we'll be able to achieve a lot of these asks by -- you know, maybe through that 6.7 million in health and human services.

>> Mayor Adler: That's a good point. Mr. Casar.

>> Casar: I want to identify one of those that is important to me, the hispanic quality of life recommendation, one of them is community health workers in the rundberg area, and I would see that as something that would be folded into any increase we give to health and human services. So, again, we don't have to see these as added.

[7:55:14 PM]

They may be part of the same thing.

>> Mayor Adler: Okay. Before we shut down this hearing here today, let's take three or four minutes and see if anybody wants to quickly highlight anything on economic development. Then we'll ask for quick highlights on health and human services, social services, and education.

[Laughing]

>> Mayor Adler: That's about what we have. So, giving people the opportunity to highlight something. Mr. Renteria.

>> Renteria: I have a lot of questions on capital idea.

>> What number?

>> Renteria: On the economic -- I'm sorry. 1.30. You know, we've been funding this organization for a while now, and I'm just not seeing -- I have a feeling that we're not getting the money's worth that we should be getting -- the money that we're investing into this -- into capital idea. I went and visited the goodwill organization right off of Rutherford, and they have a charter school there that's actually giving a high school diploma. And they have over 500 people that they have in their classroom with a job -- career path that they're working on. And I'm just wondering if -- you know, they're not even coming to us to ask us for any kind of funding at all. So, I really want to see if they could really improve their Numbers, because I think it's a lot of investment that we're doing in this program. So, I'm going to be asking some questions about exactly how they're going to be able to -- if we fund them, how they're going to be able to increase their -- you know, their Numbers.

[7:57:20 PM]

That they're graduating from that program. So, I am going to be doing a lot more inquiring into this program to see if it's -- I can really support this. And I hope that I can sit down with the capital idea people and see what they're really going to be working on to see if -- what kind of improvement. Because I really am concerned about -- there's other groups here in Austin that are doing far more with less money.

>> Mayor Adler: Ms. Tovo.

>> Tovo: Mayor, thank you, councilmember Renteria. I think -- I appreciate you asking that question. I believe the figure of how many people \$350,000 -- I believe that would allow them to serve 60 additional people. But I'm not positive about that. But I'll try to remember to put that on the message board.

[Sneezing]

>> Mayor Adler: Bless you.

>> Tovo: I would say capital idea has very good -- keeps very good records, and documents, and probably would be more than happy to provide you with the information they put together about the return on that investment. And I think we had a gentleman here earlier from the Ray Marshall Institute talking about that return on investment. I believe our money is well-spent in terms of economic development, investing in capital idea programs. But I agree with you that there certainly are other organizations out there in the community that are doing a great job, too, and goodwill is one of them. If it's helpful, I'll try to provide that information that I have. To the question I asked earlier about other items on this list, they do have an existing contract with the city of Austin, so this would be an increase over what they receive through the cultural -- through the economic -- whatever the contracts process.

[Laughing]

>> Tovo: Economic development grants.

>> Renteria: That's what I'm really concerned about.

[7:59:20 PM]

I mean --

>> Question.

>> Renteria: The only way they can improve their output is by giving them more money, and that's what concern me, you know, when we're already funding them and now they want some more.

>> Tovo: I think for

>> Tovo: I think for them it's about serving more individuals, but you raise a good question.

>> Mayor Adler: Ms. Houston?

>> I have the same question that councilmember Renteria has. How many people did we serve this past year? And it happened too quickly. So it would be helpful to have how many people were served because I too have been to the goodwill site and they do a terrific job. People get from -- I think it's 18 to 50 go back and get their high school diploma, not a G.E.D. 17 to -- yeah. So this is something that -- a very different model, but they're serving many more people. And again, no support from us at all.

>> Mayor Adler: Other questions? Ms. Gallo?

>> Gallo: I just wanted to touch on 2.07, which is the art in public places. We just -- as we look around our community we're so behind on infrastructure and sidewalks and parks and park maintenance. Traffic-calming devices and the list goes on and on and on. And we just wanted to bring up the idea of when we do the capital improvement projects currently now we take two percent of that and push it into the art in public places, which is important because it gives us funding for public art, but we also have a really critical need for other funding for those other things, infrastructure, parks, sidewalks, et cetera. But it appears that it is determined by the way the bond is written how those funds can be allocated, so this may be more of a policy conversation when we look at our next bond package to talk about do we still want to keep the component of two percent art in public places or do we want to perhaps put in something like the neighborhood partnering program, which is really a good program to start dealing with some of these lacking of infrastructure in our neighborhoods.

[8:01:37 PM]

And let me just touch on, I'm sorry, one other thing. Is the Austin energy eliminating the support for community events. That goes back to the discussion of trying to keep our utility bills possibly at the same rate they were last year, the same bill that they were last year. And I think if everyone will just go through the list of things, it's not updated for one of the line items on the page, which is community events. If you look at the second page it breaks that down to the 2014 expenditures and the year to date, but it doesn't actually show which ones are proposed within the budgets. And we will ask for that information, but I think as you look through that there's a lot of things that surprised me that is in that list that I think we just probably want to look at a little bit more closely as we're trying to tighten our belt.

>> Mayor Adler: Ms. Garza.

>> Garza: I wanted to quickly speak to capital idea. I'm concerned that we're comparing them to a program that is a very different program. While goodwill helps people with college degrees, capital idea, if I remember correctly, sends these folks to college and people come out of here as registered nurses. And helps them -- it's a more holistic approach, which is -- I love the capital idea model because when -- I know we're not supposed to be fighting for programs right now, but I just want all the other councilmembers to know it really is a different model. And when there's -- I like that it's under economic development because sometimes when we bring companies here and we say, you know, it's going to provide all these jobs and a lot of times those jobs are lower skilled jobs and that's supposed to be -- I'm not saying there's anything wrong with that, but I want -- when corporations come I want jobs -- I want there to be the minorities there who are in a position because they've been able to go to nursing school, because they've gone through a program like capital idea, I want them to be able to get higher skilled jobs, and capital idea allows that to happen.

[8:03:58 PM]

>> Mayor Adler: Yes, Ms. Troxclair and then Mr. Zimmerman.

>> Troxclair: I just wanted to highlight something. I know y'all thought this would never happen, but councilmember pool and I have found something to work on together.

[Laughter]. And that is the increasing funding and providing two ftes for our Austin -- for our music office to respond to the Austin music census. The music office is the smallest division in our economic development department, and they have less than half the staff of all of our other divisions. They're so overwhelmed with the noise complaints and sound permits that they really have not had the staff capacity to focus on the issues that were highlighted in the Austin music census, and I think it's a really -- really startling crisis that our city is facing with all of the venues closing and musicians really struggling to stay here. I wanted to put that on y'all's radar.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Thank you. I wanted to concur quickly with councilmember Renteria. We are paying very, very high, exorbitant taxes for public schooling. And I don't think those failings should be put on the Austin city taxpayer to pay still more money for education that we're already paying for. And I also wanted to concur with councilmember Gallo's remarks on the art. I think it's -- we should have some flexibility and not be required to spend that art money. We have higher priorities. I mean, it could vary on projects, but I think as a rule we shouldn't be required to spend two percent. In fact, I don't think we should be required to spend one percent, but one percent is a step in the right direction.

>> Mayor Adler: You know, my view on that is different. I think it would be good to go back and see where the policy was adopted to fund art in public spaces. You know, I think that great cities bring art so that the community has exposure to it, children growing up have exposure to it and having a fund like that enables a city to be able to have pieces of art and culture that aren't otherwise available to cities.

[8:06:20 PM]

And I think that there are a lot of cities that have been adopted that policy for that reason and produced real iconic pieces that changed the culture and the quality of life. It goes back to the comment we heard this morning about cities that live and cities that are alive, and I think this is one component of that. So I think you mentioned that, you know, it fits in a bonding conversation, and I'd be happy to partake in it there, but that's where I come from. Mr. Renteria?

>> Renteria: Mayor, I agree with you, but I think there's a problem in the art department. Even the appointee that I selected saying that there's a problem with how it's managed. For one thing, we don't have a manager in that department. There's an acting manager and they're basically -- the board members that I've talked to basically feel like, you know, they just drag their feet and really are not really concerned and listen to the commission. And that's where my concern is with the art. I think we really need to look and instruct the management to really get in there and find a good manager there that's going to be fair and listen to commission. You know, when my commissioner from east Austin comes and tells me that the acting manager is -- that they're really not concerned, that there's a lot of waste going on in that department, I become concerned. So, you know, I encourage that we really, you know, direct management into telling them, hey, it's time to, you know, straighten this department up. So that's my concern.

>> Mayor Adler: Gotcha, thank you.

[8:08:20 PM]

>> Zimmerman: Motion to adjourn. It's after 8:00.

[Laughter].

>> Houston: No.

>> Mayor Adler: Ms. Houston?

>> Houston: I can go quick. This comes at a good time because I have gotten so many emails and calls about art in public places. Evidently there's a temporary public art called tempo that's being placed around town, and the people in the rosewood Zaragoza neighborhood are offended by whatever the artist did. But the point is that artists have different views of stuff, but the community gets put into these situations later rather than earlier, so if they had been involved in it upfront, they might have been very happy with whatever this design is, but they're not happy with it now. So something's wrong with how the art in public places works as far as the community input. So that's the point that we need to strive for is get the input before and not after you've done designed and awarded the project.

>> Mayor Adler: And that conversation as well as Mr. Renteria's made sense to me. Does anybody want to highlight anything real fast on the health and human services education before we move off? Ms. Tovo?

>> Tovo: Just that I am very supportive of increasing the funding for the health equity sobriety center, for the aid items, to name a few, and I look forward to those conversations.

>> Mayor Adler: Okay. Ms. Pool?

>> Pool: And I wanted to just highlight the items that our friends with the American heart association and interfaith have been talking about, which is the grant program to have healthy foods in our corner stores, and it's item 1.29.

>> Mayor Adler: Okay. And manager, I would be interested in having you flesh out or make a recommendation with respect to a chief equity officer, even if it was something in the sustainability office.

[8:10:25 PM]

Or I don't know how that would work. Maybe not an office initially that's at the level of those, but I think that there's a lot of questions that have been asked, a lot of people have come up speaking to the issue of equity. And I think it would be responsive to a lot of the recommendations that came from the different quality of life commissions.

>> We'll do our best.

>> Mayor Adler: Mr. Renteria?

>> Mayor Adler: I also want to say I'm in support of Austin ISD continuing funding of parent support specialists. You know, they do a very good job and also, you know, it's really well needed.

>> Mayor Adler: I support that too. Further testimony? Ms. Pool? Parent support specialist, aid.

>> Pool: So I wanted to say that I also support those, and the continued funding for prime time I think was mentioned. There is a 6.7-million-dollar item, which is the annual increase to -- increase to existing social services contracts, which we definitely need to look at carefully and fund as much of that, if not all of that if possible. And then there were two items that I talked with Mark Washington about during one of our breaks, and it's 1.51 and 1.52. This is an expansion of an internship leadership program that Austin Interfaith is promoting, which is internship opportunities for underserved high school students. And we talked about it at our work session that some of the students would intern at the convention center using revenues that are earned at the convention center and have to be spent there. And then the same thing for out at the airport with the aviation department that we would use some of the bonus that we're getting and the increases in tourism that are coming through both of these departments to serve to give internship opportunities for a leadership academy for underserved youth.

[8:12:30 PM]

And it sounded like from talking to Dr. Washington that it was very possible to do that, and we might be able to bring on as many as 40 or 50 students through these two additional programs and make a real difference in their lives.

>> Mayor Adler: My suggestion is maybe we can do that without having to change the fees or expenses, we can do that maybe within their budget. I would love to see that confirmed as well.

>> Houston: I would too.

>> Mayor Adler: That looks like a great program.

>> Renteria: I would also like to go on record to say that I support the creation of an Hispanic Latino leadership program at the MAC, Mexican-American Cultural Center. And also include a contract for non-profit and business owner, paid internship for youths and target them for career application and management.

>> Mayor Adler: What number?

>> This is 1.41 and 1.42.

>> Houston: And Mayor, I want to go on record as supporting 1.58.

>> Pool: I do too.

>> Houston: We agree on something.

>> Pool: That's like an acronym, it's expand teen pregnancy efforts.

>> Garza: I support everything else on health and human services. Just as a suggestion for the equity office as part of the equity resolution that I sponsored, there was a stakeholder process, and so just so there's not any duplication, you know, if whatever is happening with that stakeholder process I think would inform the equity elements.

>> Mayor Adler: That would be great if it came out of that stakeholder process if it would require funding, I'd like to put some aside to make sure that it actually -- that it happened.

>> Houston: Mayor, I think that's health related, the Latino health forum.

>> Mayor Adler: The equity issue. They asked for a diversity person.

[8:14:37 PM]

And I think different quality of lives have called it different things. It's a person who is an advocate for equity or access within the city government. Anything else? Alright, we will stand adjourned.