

City Council Regular Meeting Transcript – 2/11/2016

Title: ATXN 24/7 Recording

Channel: 6 - ATXN

Recorded On: 2/11/2016 6:00:00 AM

Original Air Date: 2/11/2016

Transcript Generated by SnapStream

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[10:21:44 AM]

>> Mayor Adler: Are we about ready? I want to begin this meeting with a moment of silence. Would everyone please stand with me? This community lost a 17-year-old boy. It's going to play out, but no matter how it plays out at the end of the day we will have lost David Joseph in our community, and I just want us to take a moment, think about him and his family. Thank you. I'm going to convene this city council meeting. Today is Thursday, February 11. We are in the city council chambers of 301 west 2nd street in Austin. The time is 10:24. Let's take a look at the agenda that we have. With respect to changes and corrections, first let me point out that item no. 1 was considered at the work session on February 2, 2016, not 2019. Item no. 8, the public hearing was held and closed on January 28. Item no. 6 is withdrawn, not postponed. It's withdrawn.

[10:23:44 AM]

No. 11 is also withdrawn. And item no. 58 has been -- there's been a new ordinance posted in the backup, and I am now listed as a -- a co-sponsor. I'm showing on our agenda on the consent items, which run through -- 1 through item 21, items 1 through 21, I'm showing items 2 and 3 being set for a time certain of 4:00. Item no. 4 being pulled by Mr. Zimmerman. I'm showing item no. 6 being withdrawn. I'm showing no. 8 being pulled, although I couldn't tell who pulled that. Staff pulled that? Pulled by staff? No. 8? No. 9 being pulled, and then I have 11 being withdrawn. Item 13, time certain at 11:00. Item 16, time certain at 4:00. 17, time certain at 2:00. 19, time certain at 6:30. I have no. 20 being pulled for discussion. So to summarize, on our consent agenda items 1 through 21, we have pulled item 2, 3, 4, 6 -- 2, 3, 4, 6.

[10:25:49 AM]

Item no. 5 has been pulled by speakers -- I'm sorry, item 5 has been pulled by speakers. 18 is -- is Gus Pena here? Is Gus Pena here? Is Kyle holder here? Hold on. Just one speaker, so 18 goes to consent speakers. Kyle holder. So it's not being pulled. 6 is withdrawn. 21, we have speakers that have signed up. They signed up after the 9:45 deadline for pulling the item, so speaking on item 21, David king and Mike Bennett will be recognized as consent speakers. All right. So let me do this one more time. The items that I have being pulled --
>> So mayor?

>> Mayor Adler: Yes.

>> Houston: Down here. Could I pull 21 because I posted some suggestions on the message board this morning.

>> Mayor Adler: Okay. Okay. 21 pulled by Ms. Houston. All right. So let me do this one more time on the consent agenda. Did you have a comment on --

>> Mayor, yes, the staff has no need to pull item 8. We can offer it for consent on second and third reading. We have written the ordinance as the council passed it on first reading.

>> Mayor Adler: Okay.

>> Unless someone wants to pull it we're ready to go.

>> Mayor? Mayor?

>> Mayor Adler: Yes.

>> I think we still want it pulled. Thank you.

>> Mayor Adler: Okay. Pulled by Ms. Pool. All right. So the items I'm showing being pulled now are 2, 3, 4, 5, 6 is withdrawn, 8, 11 -- I mean, 9 and 11, 13, 16, 17, 19, 20 and 21.

[10:27:58 AM]

Is that right? Okay. Is there a motion to approve? Ms. Gallo moves to approve, seconded by Mr. Zimmerman. Let me read some comments by Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor.

>> Mayor Adler: Mr. Zimmerman is against item no. 15 and abstaining on item no. 18.

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

>> Mayor Adler: Okay. Further discussion? Yes?

>> Troxclair: I would like to be shown voting no on item no. 15 and abstaining from item no. 18.

>> Mayor Adler: Okay. Okay. It's been moved and seconded to approve the consent agenda. Those in favor please raise your hand. Those opposed? It's approved unanimously with the comments and notations noted. Are there consent zoning items we could also dispense with today on consent?

>> Yes.

>> Mayor Adler: Let's go ahead and do that.

>> Mr. Mayor?

>> Mayor Adler: Yes.

>> Some of those are being postponed. Can we identify those at the same time?

>> Mayor Adler: Yes, I thought that's what staff would do for us.

>> That you, mayor and council, Greg Guernsey with the planning and zoning department. I'll run through our 10:00 A.M. Items starting with item no. 22 for possible consent or cerntpostponement. Item no. 22, case 2014-2015 0143 for the property at 12320 and 12400 dessau road and 1600 Parmer lane. This is zoned to property, medium density, mf-3-co combined district zoning.

[10:30:02 AM]

For consent approval on second and third reading.

>> Mayor Adler: Mr. Guernsey, I made a mistake. Pause for just a second. Speak on the consent agenda and I didn't recognize them. Let me do that and if members want to reconsidersomething in light of that testimony we'll do that. Let me call the

consent speakers. I've already asked for Mr. Pena. He's not here. Mr. King, do you want to speak on item no. 21? 21 has been pulled so we don't need to do that. And 21 has been pulled, and that gives us, then, no. 18, Kyle holder. Mr. Holder, do you want to speak with us? I apologize.

>> Kyle holder, chair of the early childhood council. I just wanted to say that we appreciate the -- voting in the passages program. In may we had given a recommendation to pass it, and just wanted to also mention that the early childhood council has three vacancies, and we would hope that you guys would fill them.

>> Mayor Adler: Great. Thanks.

>> Thanks.

>> Mayor Adler: Thank you, sir. Mr. Guernsey, I'm sorry. Would you please come up?

>> Thank you, mayor and council. Let me continue on. Item no. -- I already read 22 in the record. Let me read item 23. Item 23 is case npa-2015-0013.01. This is for property in theBouldin creek neighborhood planning area to amend the future land use map for 1516 and 1517 south second street. To designate the property to higher density, single-family land use isrecommended by the commission. This is ready for consent approval on all three readings. The-related zoning case is item 24, case 2014-2015 0145, for the property at 1615 and 1617 south 2nd street to zone it to urban family residence and P district zoning.

[10:32:11 AM]

The planning commission was to grant urban conditional overlay neighborhood plan or sf-5-co-np for combining district zoning. This is for ready for all three readings. There are two privatecovenants I understand that in escrow and that this will be filed soon. So there is an agreement, I guess, between the applicant and 24 and 23. 25 is npa-2015-0014.01. This is located in the southeast combined neighborhood plan area, located at 4501 east St. Elmo to designate the property to mixed land use/office land use. This is ready for consent approval on first reading. This was by recommendation. Item 26 is case c14-2015-0142, for the property located at 4501 east St. Elmo, zone it to limited office mixed use neighborhood plan lonm multiple unp. Ready for consent on first reading only. Item 27 is case npa-2015- --

>> Mayor Adler: Mr. Guernsey, can we hold up just one second? I'm to break these into communication because they have different people, different actions that are being taken. You just recommended and said that items no. 22 through 26 are ready for consent approval.

>> Yes.

>> Mayor Adler: Is that correct? And 26 is on first reading only. Is that correct?

>> Yes, and 25.

>> Mayor Adler: And 25 is on first reading only? These things are all set for public hearing in addition to items -- I see as I look at the board no one signed up to speak on any of theseitems, 22 through 26. Is there a motion to close the public hearing on items 22 through 26? Mr. Zimmerman moves. Is there a second? Mr. Renteria. Those in favor please raise your hand.Those opposed. The public hearings are closed on those. Someone move adoption of 22 through 26, with 25 and 26 on first reading only.

[10:34:16 AM]

Take a motion? Ms. Houston moves. Is there a second? Second, Mr. Renteria. Discussion? Those in favor please raise your hand. Those opposed?

--

>> Oh (indiscernible).

>> Mayor Adler: Are you okay with those?

>> (Indiscernible).

>> Mayor Adler: We are voting to approve the items 22 through 26, with items 25 and 26 on first reading only.

>> (Indiscernible).

>> Mayor Adler: I think that was unanimous on the dais so now we'll proceed. That gets us now to item 27 and 28. Why don't you start with those.

>> Mayor, if I just really quick could interject. I had pulled -- asked to pull item 8, and the mayor pro tem and I had a brief conversation and we agreed that we would put it back on consent. So we no longer wish to pull item 8 from consent.

>> Mayor Adler: Okay. Then we'll make that one of the first ones we double back to and take care of.

>> Pool: Thank you.

>> Mayor Adler: Okay?

>> Thank you mayor and council. 27 is case npa-2015-0016.01. This is for property located in the govalle Jons on terrace combined neighborhood plan, for 500 shady lane. This is a neighborhood plan amendment. The applicant has requested an indefinite postponement of this item. This item will not be placed on your agenda without (indiscernible) In the future. So item 27 is indefinite postponement. No action is required. The related zoning case, item no. 28, case c14-2015-0043, again for the property located at 500shady lane. The applicant is requesting indefinite postponement, no action is required. Renotification would be required before this item could be brought back. It's item no. 28.

[10:36:17 AM]

Item no. 29, and 30, are related items. 29 is case npa-2015-0023.01. This is in the Windsor hills -- or university hills/windsor park combined neighborhood planning area for the property at 4717 turner lane. This is a neighborhood plan amendment, the related zoning case item no. 30 is case c14-2015-0086 for that same property. 4717 turner lane. We have a neighborhood request for postponement of these -- both these items, it's the boys & girls club legacy club, to your March 24 agenda. I understand the applicant is in agreement with a postponement. So this is a postponement by the neighborhood, that item is no. 29 -- add items 29 and 30 to your March 24 agenda. Item no. 31, this is case c14-2014- --

>> Mayor Adler: Before we get to those, just one second, because there are speakers for some of the others and I want to just see how we're going to handle those. Is there a motion to postpone -- we have no speakers signed up for 27, 28, which is okay, they're indefinitely postponed. We have no speakers signed up for 29 or 30, which is now postponed to March 24 of '16. Is there a motion to postpone those items? Ms. Houston so moves, seconds by Ms. Pool. Discussion? Those in favor raise your hand. Those opposed? Those items are postponed. Okay. Now let's do the one two east.

>> 31 is case c14-2014-0198. The applicant -- I understand council would like to postpone this to April 11. The applicant would like to suggest March 24, so this is a discussion postponement. I can skip this one and we can keep going with the rest of the consent items.

[10:38:21 AM]

>> Mayor Adler: Let's skip it and keep going.

>> Very good. Item 32 is case c14-2015-0047 for the property at 2303 and 2309 Thornton road. To zone the property general commercial services mixed use, vertical mixed use building, or cs-mu V, combining district zoning. We have a neighborhood request for postponement, and I understand the applicant actually agrees to your March 3 agenda. Council member kitchen kind of spoke to this about getting some information, and staff will be working on addressing that in between today and the 3rd.

>> Okay.

>> Mayor Adler: Okay. We have six people that are signed up to speak on this one.

>> Mr. Mayor? I think they came to speak just in case it wasn't postponed.

>> Mayor Adler: Okay.

>> Kitchen: And I think that the interest was -- we had checked with the neighbors and they were interested in the postponement. So I think, if I'm speaking for folks correctly, that postponing it and speaking at the time it's postponed too will be acceptable.

>> Mayor Adler: Okay. That sounds good. And you are postponing until when, Mr. Guernsey?

>> The 3rd, March 3.

>> Mayor Adler: Okay.

>> No, 3rd? Item 33 is case c14-2015-0062 for the property located at 2900, 3000 and 3024 U.S. Highway 183 south and 3120 McCall lane. This is a zoning change request that we have a staff postponement of this item to your April 14 agenda. That's on item no. 33. This is a staff postponement to your April 14 agenda.

>> Mayor Adler: Okay.

>> Item no. 33 -- or 34, is case c14-2015-0122. This is for the property located at 10819 fm 2222 road to zone the property to community commercial gr overlay or gr-co combining district zoning to change to conditional zoning.

[10:40:34 AM]

The planning commission was to grant the gr-co zoning to change the conditions of zoning and this is ready for all three readings. Item 35 is case 2014-2015 0129 for the property at 7804 Cooper lane. Staff is requesting a postponement of this item to your March 24 agenda, and staff is requesting postponement of item no. 35 to your March 24 agenda. Item no. 36 is case 2014-2015 0133a for the property located at 1204 San Antonio street. Staff is requesting a postponement of this item to your March 24 agenda. Item no. 37 is case c14-2015-133b for the property located at 1205 Nueces street. Staff is requesting a postponement of this item to your March 24 agenda. Item no. 38 is case c14-2015-0135 for the property located at 4212 Smith school road. This is zoning the property to limited industrial services neighborhood plan, neighborhood plan or li-pda-np. Combining district zoning. The planning commission recommendation was to grant the li-pda-np combining district zoning and this is ready for consent approval on all three readings. Item 39 is case c14-2015-136 for the property located at 6914 McNeil drive. The applicant is requesting indefinite postponement of this case, no action is required. However, renotification will be required before this item can be placed back on your agenda to be considered. That's item no. 39. Item no. 40 is case c14-2015-139 for the property located at 118 is 2 Millwright parkway. We have a neighborhood request for postponement of this item to your March 24 agenda.

[10:42:40 AM]

The applicant agrees, so it's postponement of item no. 40 to your March 24 agenda. Item no. 41 is case c14-2015-0141 for the property located at 2106 Allwood drive and 2103 bluebonnet lane. Staff requested postponement of this item to your March 24 agenda, and it's item no. 41 to your March 24 agenda. Item no. 42 is case c14-2015-0148, for the property located at 8701 manchaca road. This is zoning the property to community commercial or gr district zoning. The zoning and platting commission recommendation was to grant community conditional overlay or gr-co combining district zoning. This is ready for consent approval on all three readings, that's item 42. Item no. 43 is case c14-2015-0151 for the property located at 1201 1201bastrop highway to zoning to LI. The planning recommendation was to grant the LI zoning and this is ready for consent approval on all three readings. Item 44 is case c14-2015-0153 for the property located at 9015 capitol drive. I understand, I have a council member who would like to postpone the Iglesia filadelfia zoning case to March 24.

>> Yes, please, which number is this?

>> Item 44.

>> Renteria: There hasn't been time for the neighbors to meet with the applicant and I understand that they will with assistance with staff, so I'm happy to postpone with that direction that they get together between now and then.

>> Mayor Adler: There's one speaker that's signed up for the public hearing today, Leonel Rangel. Is he here today? Do you want to participate or postpone it and speak when it comes back to the council?

[10:44:48 AM]

>> (Indiscernible).

>> Mayor Adler: Okay. Then hold on a second. We're going to let him go through the rest of the agenda but we'll come back to that one. So we'll pull this one as we pulled item 31.

>> Thank you, mayor. Let me continue. Item no. 45, this is case c14-2015-0155 for the property located at 13817 north U.S. Highway 183 northbound. This is to zone the property to community commercial or gr district zoning. The zoning and platting commission recommendation was to grant the gr district zoning and this is ready for consent and approval on all three readings. Item no. 46, this is case c14-2015-0156, for the property located at 13109 north fm 620 road to zone the property to commercial liquor sales, or cs-1 district zoning. The zoning and platting commission's recommendation was to grant the cs-1 district zoning and this is ready for consent approval on all three readings. Item 47 is c14-2015-0158. This is for the property located at 12331 and 12335 hymeadow drive to zone the property to limited office or lo district zoning. The zoning and platting's recommendation was to grant the lo district zoning and this is ready for consent and approval on all three readings, item 48 c814-2012-0163. This is sun chase planned unit development. Council would like to discuss this item.

>> Mayor Adler: Okay. Pulled. 48.

>> Item no. 49, this is case c14-91-0038 rca for the property located at 507 west 23rd street. This is a restricted covenant amendment. A neighboring property owner has requested a postpone him of item 49 to your March 24 agenda.

[10:46:51 AM]

The applicant agrees with the postponement so that's a postponement of item no. 49 to your March 24 agenda. Item no. 50, case c14h-2015-0007, for the property located at 903 shoal cliff court. Staff is requesting a postponement of this item to your March 24 agenda. Item no. 51, -- item no. 51 is case c14h-2015-0013. This is the sparks house located at 1510 west avenue to zone the property to family residence-historic landmark or sf-3 8, imidged zoning. The planning commission recommendation was to grant the sf-3-h for district zoning and this is ready for consent and approval on all three readings.

>> Houston: Excuse me, is that the little fill property?

>> No, this is the sparks.

>> Little field, staff is requesting a postponement, that's item 50 to the 24th. And case 52 is c14h-2015-0082, for the property -- this is the Rainey house located at 3914 balcones drive. This is to zone the property to family residence-historic landmark or sf-3-h combining district zoning. The zoning and platting recommendation was to grant the sf-3-h to district zoning and this is ready for consent and approval on all three readings.

>> Mayor, this is a little confusing today. So I've got a question of staff -- I don't want to pull them, but I've got a question -- I don't want to pull them off the consent but on 51 and 52, you know, we -- we had asked the -- our department, historic department, to come back and start working on tightening up the criteria for historic. I mean, we lose -- the city loses tax revenue on properties that are granted historic, and I think as we've talked about this in great detail, we have expressed some concerns that perhaps the criteria needs to be tightened.

[10:48:57 AM]

So I was just curious if someone from that department is here, if they could address -- thank you. If they could address kind be of where we are on that conversation.

>> Jarrell rusthoven zoning and platting department. We last revamped it about 3 years ago. We did a capped on the amend of the tax amendment as well as a tightening of the criteria. To move a little further on that we would need an item from council directing us to do that. So we would await your direction on what specifically to do.

>> Kitchen: All right. Thank you for that.

>> Mayor, if I may add, I spoke to the speaker on 44, filadelfia, and he no longer wishes to speak. He's okay with the postponement and he'll speak next time when it comes back.

>> 44.

>> Mayor Adler: 44.

>> 44.

>> Mayor Adler: Okay. We also have speakers identified, Mr. Kanne, David Kanne on no. 49 and 50. Looks like those things will get postponed. Is Mr. Kanne here?

>> (Indiscernible).

>> Mayor Adler: Do you want to wait till then to speak? Okay. All right. So what I'm showing here is that on the -- the consent vote that we would be taking right now, which are items 31 through items 52, that we're pulling items 31 and 48, 31 and 48. Other than that they would all go forward either for approval or for postponement as you had indicated.

>> Yes, sir.
>> Mayor Adler: I'm sorry.
>> Yes.
>> Mayor Adler: Ms. Pool? Ms. Pool moves to approve the contended Janet. Mr. Zimmerman second. Is there discussion?
>> I think for clarity of the public, the ones we said would be postponed we're voting to postponed.
>> Mayor Adler: The ones that are postponed are being voted to postponed, and I show those items as being no. 31, 32, 33, 35, 36, 39, 40, 49 and 50.

[10:51:09 AM]

>> 41 is also postponed.
>> Yes.
>> Mayor Adler: And 41 is postponed. It's been moved and seconded --
>> Houston: One other question, mayor. We haven't voted on a date for the postponement on 31. Staff made a recommendation, but --
>> Mayor Adler: We've pulled that item --
>> Houston: We pulled it.
>> Mayor Adler: We're going to discuss 31 and 48 here in just a second. All right. Yes?
>> Troxclair: Mayor, I just want to be shown abstaining from item 51 and 52.
>> Mayor Adler: Okay. So noted. Those in favor of the zoning consent, please raise your hand. Those opposed? It's unanimous with the notation for voting as indicated by Ms. Troxclair. Okay. I think that gets us through all the consent items. Let's double back to the beginning of the agenda. Ms. Pool? I'm sorry?
>> Pool: I move approval of item 8.
>> Mayor Adler: It's been moved approval of 8, tovo seconds that motion. Is there discussion on item 8? Ms. Tovo?
>> Tovo: Yes, speaker --
>> Mayor Adler: Okay. Speaker.
>> So it's closed.
>> Mayor Adler: Closed.
>> The public hearing was closed at the last --
>> Tovo: Sorry, mayor, I think it's the new seats.
>> Mayor Adler: Sorry?
>> Tovo: I think it's the new seats.
>> Mayor Adler: Because usually you're really good about this stuff. All right. So the public hearing has been closed, we moved and seconded no. 8, which I think is the -- discussion? Hang on.
>> Zimmerman: , Again, could you briefly tell us again what item 8 is and what the history is before we vote.
>> Mayor Adler: It's the pud super majority requirement. There was an amendment that was adopted at the last meeting, I think that had a three-quarter standard at the planning commission, to a three-quarter standard requiring a three-quarter vote to overturn at the council meeting.

[10:53:21 AM]

It was approved on first reading. That item is now before us on second and third reading.

>> Zimmerman: If I remember, we had some extensive discussion on it, and I think you voted in favor. I believe I voted in favor of this on the first.

>> Mayor Adler: I voted in favor of this.

>> Zimmerman: That was the one? Okay. Thanks.

>> Mayor Adler: Those -- those in favor please raise your hand. Those opposed? It's unanimous on the dais, no. 8 is done. I think that gets us to --

>> And mayor?

>> Mayor Adler: Yes?

>> Before we get further down the agenda, item no. 6 was withdrawn by the staff, but we had a speaker on it, and I figured it would be good to just let them talk so they don't have to come back down next time. Just one speaker.

>> Mayor Adler: It's disappeared from my chart here, I guess because we showed it as being postponed. Is there a speaker to speak on no. 6? Come on down.

>> Good morning, mayor and council. My name is Emily Tim and I'm the director of research and policy with workers defense project. I wish to speak just briefly on item no. 6. I did sign up in opposition of it but I do want to be clear that workers defense project absolutely supports investment in affordable housing projects. However, we did feel that this item was premature because the development of the saltillo plaza, which is where the affordable housing is proposed to be built, is, in fact, still in a negotiation process with capital metro. To explain a little bit of history, in -- in June of 2014 capital metro directed the developer of the saltillo tract endeavor to sign a better builder agreement with workers defense project in order to ensure safe working condition and fair pay on all of the construction jobs that are created by the saltillo development.

[10:55:22 AM]

20 months later endeavor has still not signed an agreement with workers defense project and we're concerned that moving forward with any piece of this development until the master development agreement is signed with capital metro is premature. We absolutely believe that this council has been committed to responsible development and responsible development means that we need responsible developers who are going to stand up and adhere to standards that ensure the safety of workers on our Austin construction sites. That includes standards as basic as a fair wage, as having workers' compensation coverage, as local hiring requirements, and on-site enforcement to make sure, and monitoring to make sure that these standards are adhered to. There's real reason for concern on this particular project. Dma, the developer, the affordable housing developer, actually has received about \$5,000 in initial fines from osha for safety violations. Also another developer who's involved in the project, Robert Shaw of amicus, who is a partner with endeavor, has also been -- is being -- his company has been investigated for some safety violations at the domain. And so we do believe that there's real reason to make sure that these standards are being upheld on the development at saltillo. So as these items come before council we hope that the council will continue to uphold its commitment to creating good construction jobs in Austin. We know that this is critical for the safety of workers in our city, and we hope that council will continue to advocate for those standards. So thank you.

[Applause]

>> Mayor Adler: Which number was this on the agenda?

>> This

>> This is item number 6.

>> Mayor Adler: Okay.

[10:57:29 AM]

>> Mayor, we have item number 13 that's been set for time certain at 11:00, and I'd like to just say a few words about it. And then also we have speakers here, if we're to the point that that might work. Oh, three minutes?

>> Which item?

>> 13. But obviously, I'm looking at the clock, we have three minutes to wait.

>> Mayor Adler: Hang on. Hang on. Did you want -- Mr. Zimmerman, that issue to come up in executive session?

>> Zimmerman: That is my intention. I did want to make a couple of comments that we might get done in less than three minutes. Some of the details of the legal contract are certainly appropriate for the executive session, but I want to point out that we started paying these capacity fees for the bio-mass plant in about May of 2012. And so the rate-payers have been getting hit with higher electric bills for coming up on four years. And so one of my concerns is that we haven't tackled this problem sooner. And the fact that we're coming up on four years for paying these exorbitant fees gives me a little bit of concern as to whether we as a city are really serious about taking a hard look at this. And I was going to move that we amend the amount of the award from 325 down to \$100,000. I don't know if I want to do that --

>> Mayor Adler: If we're going to discuss that in executive session, let's get there first.

>> Zimmerman: Maybe we can address it after executive session.

>> Mayor Adler: Number 13, mayor pro tem, can you take the -- helm here for a second? Thank you.

>> Tovo: Item 11 is to approve a resolution initiating amendments to chapter 25 related to application of site development regulations.

[10:59:40 AM]

Who pulled this item?

>> Mayor Adler: I think he meant item 13.

>> Tovo: I'm sorry. Maybe by the half day mark.

[Laughing]

>> Tovo: Okay. This is the many item. Councilmember Gallo.

>> Gallo: Thank you. Bear with us. We've switched seats and obviously there's a learning curve here. It's kind of scary. Thank you for allowing us to do this at time certain, because we do have some speakers that would

-- like to speak on this. I hope we have a lot of council support. We have an opportunity to voice our support for making many an historic landmark. Many of us feel it is already a landmark, it was the first in Texas, and many believe in the south, to integrate. This resolution can help save it and solidify its place in history locally and nationally. This property is in district 10 and it is very important to a lot of the district 10 constituents and people throughout the city of Austin. As we sit on this dais, the state historic preservation officer is considering an advisory board's recommendation to add it to the national register. The officer will send either a -- recommendation of approval or denial to the park service. I hope this resolution shows that we as a council, and as a city, want many to be recognized for the changes in hearts and minds that began in 1951. I want to offer my thanks to some people who have worked tirelessly to help

bring recognition to muni, I strongly believe it deserves. The community came together and formed save muni, a prime example of what passion and perseverance can result in. I would like to thank each of them. A lot of these members will be here to speak. Mary, bob, laura, Ben, and general marshal. And mayor pro tem tovo, I do think we have speakers associated with this.

[11:01:42 AM]

>> Tovo: Councilmember pool, you said you had some comments, would you like to hear the speakers?

>> Pool: I do, but I would love to hear the speakers.

>> Tovo: We have five speakers. Our first is Mr. Peña. Is Gus Peña here? Next is David King. David King, you have three minutes, and you will be followed by Robert Osher.

>> Thank you, mayor pro tem, councilmembers. I'll be very brief. I'm here to speak in support of this item. I hope we have a unanimous approval on the council for this item. Again, as councilmember Gallo has indicated, this is a historic site for us. And it represents history that's important to us. And a message that, you know, that is important to our country here and to our city. And we still have work to do. So I think acknowledging this as the historic site that it is is important. And it helps us understand we still have more work to do. Thank you for considering this item, and I hope you unanimously approve it. Thank you.

>> Tovo: Thank you, Mr. King. Mr. Osher. And you will be followed by Ben Crenshaw.

>> Thank you, mayor pro tem tovo. Unfortunately, general marshal had a medical, outpatient medical procedure this morning. He will be unable to attend. He's been involved with this for several years, 46 of those years trying to save it. And he supports the resolution, he wants the course preserved, and is grateful for your efforts, and sorry he can't be here today. We believe some time in late 1950, Alvin Prosser, a 9-year-old African-American caddy at muni, and one other black youth, played the course in defiance of Jim Crow. They were apprehended and brought to the clubhouse and detained by policemen. Mayor Taylor Glass was noticed.

[11:03:43 AM]

And he asked mayor pro tem Bill Drake and councilmember Will Johnson to city hall to discuss this matter. Together, they determined not to prosecute the two youths and let them continue their play. Blacks could play freely that after that, and they came from Houston, San Antonio, Dallas, to play. Muni was the only municipal course in the south blacks could play on at that time. In April 1951, there was an effort to build a separate golf course for blacks in the east, and some argued that blacks could and should play at muni. The arguments were sustained, and the informal decision was ratified, along with mayor pro tem Drake and councilmember Johnson. That was the end of Jim Crow at muni, and then the library was desegregated. This occurred five years after the end of the World War in which German racism had annihilated the Jews of Europe. Despite being subjected to Jim Crow racism in America, African Americans fought for our country, helping to liberate Europe and its Jews, just as they had fought to preserve our union in the civil war. It was also just months after the supreme court shot across the bow a southern segregationist that had desegregated the university of Texas law school. And it was also almost four years before the supreme court's decision in Brown v. Board of Education. Mayor Glass was raised in Manor, had a ged certificate, and was a small business man who founded the Polar Ice Cream

company here.

[11:05:44 AM]

He grew up with blacks who worked in the cotton patch with him. He didn't see the point in not letting blacks play golf on a big open space that was in some ways just like the farm he was raised on. In other words, his decision --

[beeping]

>> In 1950 was a simple act of decency and common sense. Mayor glass' daughter, Laura Glass Hensley, is here today, along with his nephew, Gary Glass. And I'd like them to stand and be acknowledged by the city council.

[Applause]

>> There are three people who are very special to save Muni. Their lives are all graced with humility, decency, a sense of fairness, and graciousness. One, General Marshall, can't be here today. But we do have Ben Crenshaw, and Mary.

>> Tovo: Thank you all so much for being here, and all of your work over the years. Mr. Crenshaw, you're next. And I understand -- Ms. Arnold, we'll get you signed in, but you'll wrap us up after Mr. Crenshaw. And I will hand the speaker back to the mayor.

>> Thank you, council. And mayor.

>> When I think of Muni, I think about my life. I was born in Austin, raised in West Austin. Yeah, it's an emotional issue. I've long been an advocate of Muni, and its preservation, and I'm very hopeful that the -- this item goes to the national, because I think it's proper.

[11:07:52 AM]

I think all of us recognize what I call a noble occurrence that many people have referred to. You know, obviously, my whole life has been golf. Everything I can attribute to. I think that I had a very lucky upbringing here in Austin. And I played a lot of public golf. I spent so many hours at Muni with all kinds of people. But it was very simple that we all loved the game of golf. To really think about what Muni's worth in the lives of a lot of people that I've been with is very difficult to calculate. I think that as a community and as an asset, and as a green space -- and I will really take that further, because, yes, it is a green space. It's beautiful acres, no doubt. But it happens to occupy golfers on it. But I can really think of other communities in the state that golf is a part of a public park, such as Memorial Park in Houston, Brackenridge Park in San Antonio, and Herman Park in Houston. But, yes. It's public recreation for everyone, open to everyone. And obviously, it's very affordable. I also happen to revere the University of Texas. I have -- I matriculated there, if you can call three years a matriculation. But I grew up in the shadow of the tower. And I must say this publicly, too, that I have the utmost admiration and respect for UT President Finfizz, as well as Chancellor Mcraven.

[11:10:07 AM]

But really, I've just got to be putting all my cards on the table. I just think it's the wrong use for this property for them to develop it. I know that's very strong, but that's the way I feel. I really do believe that if parts of UT and Brackenridge track with the golf course would be developed, I think the atmosphere of West Austin would be

punctured.

[Beeping]

>> So we're hoping that people can get together and save it. But thank you for your time. Thank you.

>> Mayor Adler: Thank you, sir.

>> Mayor Adler and members of the city council, thanks so much for giving us the opportunity to share with you our feelings for the lion's municipal golf course, established in 1926 by a group of lions club members. And when we had our hearing before a board of experts in San Antonio who recommended that had application for the national register go forward, one of the persons in the audience that I had never met before spoke in favor of the application because his grandfather was one of the names on the lion at muni's, and he had wonderful pictures and tales of his grandfather, and felt that his grandfather would be very, very proud that this place that he had helped establish in 1926 would be considered historic, and its history, all of it, be celebrated as part of a national experience. I think I attended my first council meeting in 1973, when mayor butler agreed to appoint a citizens committee to help save muni in 1973, when the regents had canceled the lease.

[11:12:26 AM]

Ben crenshaw and general Marshall were both members of that committee. Ben, as a student, may not have had time to serve, but the newspaper reported that he had been appointed. So, thank you for this opportunity, and we very much appreciate your resolution of support, which I do hope will be approved. Thank you.

>> Mayor Adler: Thank you. Any other speakers on this issue? Thank you both. That is item number 13. Is there a motion -- I'm sorry, Ms. Pool.

>> Pool: I just had a couple of things I wanted to say, too, if that's okay.

>> Mayor Adler: Sure.

>> Pool: I just want to recognize the hard work of the people who are doing all they can to secure a place for muni, and I'm honored to be a part of that effort. I wholeheartedly support the inclusion of the golf course in the register, and while I have the opportunity, I want to thank Mary Arnold for her leadership on the issue. As she mentioned, she's been fighting to preserve this historic property since the early '70, so thank you, Mary, for helping to preserve this oasis of green space in Austin. Most significantly, it's important that we celebrate the lions municipal golf course as the first public golf course in the south to desegregate. That was 1950. And that was after the supreme court decision that desegregated the university of Texas law school. So we have our local leaders of the past, mayor glass, whose descendants are here. We have a daughter and a nephew here today. And council member Emma long to thank for that decision. And I think that maybe someone else is watching all of this, maybe Roberta crenshaw is watching us and cheering us on from above. So, thank you for all of your work, and I look forward to voting in support of this resolution.

[11:14:32 AM]

>> Mayor Adler: Any further discussion on this item number 13?

>> I am happy to make the motion, if that's appropriate.

>> Mayor Adler: Ms. Gallo makes a motion, Ms. Pool seconds.

>> I'd like to approve the resolution supporting the nomination for the national register of historic places.

>> Mayor Adler: Discussion. Mr. Renteria?

>> Renteria: Yes, mayor. I'm going to be supporting this. I'm glad to hear what the citizens who are saving the golf course said and admitted that Austin was a city that discriminated against MI minorities. You know, it was during those times when I, myself, wasn't allowed to live west of congress. When I got married and applied for housing, they denied me because of the color of my skin. So I'm glad that the -- there's people here that admitted there was a lot of Jim crow going around. And I'm glad that we're finally starting to break that barrier, because that's always been my goal, growing up in this town. I'm a native here of Austin, and that has been my goal, of breaking down that barrier. So I want to thank y'all for admitting that Austin did discriminate in the past.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. Let me tag on to councilmember Renteria remarks. I'm very happy the city has given up on racial segregation, and I'm doing all that I can now to stop economic segregation, which seems to be the thing we do now. But we have moved forward on that. I think district 6 is inclined to support this, to support councilmember Gallo and our other constituents, and the testimony we've heard. I just have one practical question. I noticed in the backup material on page 6 of the spr draft, it is pointed out that the city leases the land.

[11:16:37 AM]

I guess it's owned and controlled by the board of regents of the university of Texas. And so are there any unintended consequences of this particular action from, you know, UT's point of view? I mean, has the university of Texas been consulted, and are they okay with what we're doing here? Has the property owner -- are they okay with the action we're taking today? Maybe nobody knows. I just wanted to ask the question. And would it be appropriate to consult the property owner before we designate their property as having historical significance?

>> Mayor Adler: I'll let you go first.

>> Thank you, mayor. We did let the university know about the resolution. We also talked to city legal to make sure that what we were doing would not affect in a negative way UT plans. But what we are doing is we're sending a very strong statement that we would like this property to remain as open green space, and we would like to be able to protect the historic value of the property also. So I think city legal is here if you had any questions, but the university was notified that we would be doing this resolution.

>> Zimmerman: That's really good. Apparently -- I haven't heard anything about it. If they had a strong objection, they should've said something. And I didn't hear anything, so I'm inclined to vote for this.

>> Mayor Adler: I've also spoken directly with the president of the university, both with regard to the question you've asked and to express, as I have on numerous occasions, the iconic nature of this property to the city, and the importance that the city places on that tract of land, and to tell him that I'm looking forward to discussing with the university the appropriate future use of that property. And I'm voting for this.

>> Mayor.

>> Mayor Adler: Ms. Houston.

>> Houston: I also had a conversation with the president about the need to preserve muni, and the history of the university of Texas in this city and in this state as it relates to people of African descent, and so I think they were well aware that this was coming.

[11:19:01 AM]

>> Mayor Adler: Okay. It's been moved and seconded. Further discussion? Those in favor of this item, please raise your hand. Those opposed? It's unanimous on the dais. That's item number 13.

>> Mayor Adler: Let's look at -- item number 4 is going to go to executive session. What about item number 5? We have some citizens wanting to speak on item number 5.

>> Houston: Mr. Mayor.

>> Mayor Adler: Yes.

>> Do you want a motion at this point, or should we wait until after the speakers?

>> Mayor Adler: Either way. Do you want to make a motion?

>> Well, I will just move approval of this item.

>> Mayor Adler: It's been moved, approval, item number 5. Is there a second?

>> I second.

>> Mayor Adler: Second by Ms. Houston. We'll then call the public speakers on this if that's okay.

>> If I could just make a few comments.

>> Mayor Adler: Sure.

>> Just to let people know what this is. This is an application for low-income tax credits. It is next to mopac on the west side in the Howard palmer area. It's not final approval, it's just support for their ability to be able to apply for the low-income housing tax credits. It's the only one from Austin applying this year, so I think that that's important that we support it. I believe that the applicants are more than willing to meet with neighbors to talk about how it would actually be built should they receive the tax credits. And in fact, this applicant was also involved with the project in my district, at raven's cross, so they've got quite a bit of experience. So I'd also just say that this represents an opportunity in a highly desired area for affordable housing, and I would like to support it.

[11:21:11 AM]

>> Mayor Adler: Okay. I do have a quick question before we go to the speakers, if staff is here. Is staff here to answer a question on this?

>> Mayor Adler: So that I understand exactly what it is that's being considered here and voted on, and what is not being considered here and voted on, my understanding is that this is attract that is -- if it were put to a residential use, be that for an affordable housing project or not for an affordable housing, residential project, the property would need to be rezoned. Is that correct?

>> That is correct.

>> Mayor Adler: So the question of whether or not this is an appropriate property for residential use is something that would come to this council as part of a rezoning request.

>> That is correct.

>> Mayor Adler: So if the neighborhood wanted to raise questions such as, it's not an appropriate thing to do because this is an industrial area, or a residential use would bring in a lot of traffic, or other issues that could be raised with respect to a residential use of property, that would happen in a zoning case that still would come back to council, is that correct?

>> That is correct.

>> Mayor Adler: So what is it exactly that is before the council today, if the land use component of it is not before us?

>> So the item that's before you today is a resolution that would allow the developer to submit their application to the state -- Texas department of housing community affairs for the competitive 9% tax credit round. This resolution is required to be submitted by March 1st. And their application to the state is contingent upon final approval -- having the appropriate zoning. But they have the next several months to achieve that. So we will have to come back for zoning, but the deadline for this action is March 1st, which is why we've brought this to you today.

[11:23:15 AM]

>> Mayor Adler: Okay. So this would keep it alive, that future effort to rezone the project for this use that would come back for us.

>> That is correct.

>> Mayor Adler: Okay, thank you. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I want to make a correction here. The gap, that's the scoring formula for these projects -- if we approve this, there will be additional points for the project, but it is not true to say that they're not allowed to submit the project without our approval. That is not true. They can submit the project without any resolution from us, but if we don't give the resolution, they lose out on some additional points.

>> Mayor Adler: Gotcha. Okay.

>> I stand corrected, yes, sir.

>> Mayor Adler: Thank you. Okay. We're going to then ask the community members to speak. Is Mr. Peña in the room now? Yes, Mr. Peña.

>> Mayor, council members, good morning, Gus Peña. One of the things that I'm back before Bruce Todd's administration is, I'm not slam-dunking developers or anybody who wants to build here in Austin, but darn it, if we're going to give tax credits, we're going to lend our name to the entity that want the credits from tdaca, give us more units for the people here in the city of Austin. We're the ones that are paying the taxes. We're the ones that are going to hold you to task on that. And excuse my bad English, it ain't happening. We're giving away too much without getting too much back. We have a corporation that bought land or -- I call it destroyed some affordable housing units. They're going to build units for their own employees. Come on. That's not a good tradeoff. So we're going to lend our name, we're going to lend our assistance to anybody that wants credits or submits credits to ddaca, let's get due diligence, due process.

[11:25:21 AM]

And mayor, that's all I have to say. Just hold them accountable. I've been kind of tough on you regarding housing developments, homeless veterans, but ladies and gentlemen, can we have a round of applause for our mayor? Because he's been very good at doing what he wants. Please, everybody.

[Applause]

>> I say it as a proud veteran, I know I've been tough on you. I'm still going to be tough on you, homeless vets are still here. You led the charge, even though mayor Leffingwell started it. Thank you very much for that. I know our veterans that are still

homeless, I see them out there at the Salvation Army, we need more help. Thank you very much. I know I've been tough on you, but I love you, my brother. Keep up the good work.

>> Mayor Adler: Mr. Peña, thank you very much. The next speaker is Matt senatchik. Is Nancy grialba here? Yes. You have six minutes, sir.

>> Thank you, sir. Thank you, Mr. Mayor, members of the council. Item here to speak on this item. My name is Matt, and I live on silver creek drive in the north wood neighborhood. The item before you is the consideration of a resolution to support an application to tdhca for the tax credits. Thank you, councilmember Zimmerman, for the clarification on the application process. The application and supporting information that's been presented is missing information. The rca cover sheet indicates the developer is proposing to construct at the 98-unit project with no unanticipated fiscal impact. However, the tdhca pre-application, which was filed on January 6th by the developer, indicates that the project will consist of 120 units. The development is asking for a development fee waiver that amounts to approximately \$5,800 per unit, with a total impact of about \$581,000. However, at 120 units instead of the 98 units, the waiver increases to almost \$700,000, a 20% increase over the anticipated fiscal amount.

[11:27:33 AM]

So therefore, a fiscal note should be included with the application. Those fee waivers that I mentioned include site plan fees, inspections, permitting, things of that nature. That does not include approximately \$50,000 in waived parkland dedication fees or parkland dedication. Additionally, the developer is asking for a \$500,000 loan from the city with 0% interest. The adoption of this resolution is essentially granting approval to that loan, in addition to other steps in the process. Overall, the total impact of this project is approximately \$1.13 million to the city. In addition to this information, the applicant has identified several steps in the process that they will need to follow. One of those steps is to apply to tdhca for tax credit funding, which they will follow on March 1st. The tax credit process is competitive. There are multiple factors that are weighed in the scoring. Tdhca has allocated \$4 million to region 7, which is our general area, including the urban areas of Austin, pflugerville, Georgetown. The urban project requests are 15 requests for about \$20 million, so only about 20% of the applicants will be funded with the 4 million that's been made available. In addition to the state requirements, the applicant has stated that they will need to apply to the city of Austin for a partial plat vacation, and also rezoning from the current ip-co zoning district to multifamily or mixed use. The partial plat vacation results in the loss of any existing entitlements attached to the previous plat, forcing the developer to meet current standards for the project. Current standards are more restrictive regarding environmental impact. Both the city of Austin and the Texas commission on environmental quality have adopted stricter standards for wildlife and aquifer protection. Additionally, the U.S.

[11:29:33 AM]

Department of fish and wildlife has identified multiple endangered species in our region requiring adherence to the national environmental protection act and the endangered species act. Also, use of federal funds and federal permitting requires section 106 review under the national historic preservation act of 1966,

which may identify potential archaeological sites in the area that would have to be mitigated if they were to move forward. The subject project is currently zoned light industrial with a conditional overlay, limiting the uses allowed by the residential office zoning district, and designed to be a low-impact buffer between the highway, the rail line, and the neighborhood. Those uses are limited in hours of operation, average daily traffic count. The neighborhood has indicated our position to the rezoning. That's another step in the process the developer will have to follow. There are some development challenges with the site, including possible existence of features, the impact of the watershed buffer, the creek that runs along the edge of the property, and also heritage tree protection. These challenges limit the ability to develop the property, which increases the chance that the proposed project may not even be viable to move forward. These challenges and the sufficient documentation to support the request lead me to and the city of Austin city council to disapprove the proposed resolution, or at a minimum, delay action until additional information is produced to address these concerns. Committing an estimated 1.13 million in city funds to a project that may be inviable is a waste of resources and ultimately creates an adverse effect on the overall housing situation in Austin. In summary, this is a quote from the November 19th, 2015 city council meeting in which mayor Adler stated, "I do not support interrupting the middle of neighborhoods to try to find increased density, especially because the density you could make in those neighborhoods is not enough to move the needle in a way that is commiserate with the price that would be paid emotionally and otherwise within our city." Thank you very much for your time today.

[11:31:47 AM]

[Applause]

>> Mayor Adler: The next speaker is Megan Lash.

>> Good morning, mayor, and council. My name is Megan Lash, 421 West 3rd Street, Austin, Texas. I am here today representing the park as a developer and part owner. My personal business is actually a product of the small and minority business association -- or small and minority business program certification of the city of Austin, and the opportunities that I received in participating through that program. I am here today to request a resolution of support. This resolution of support is an integral part of our application process through TDHCA. It allows us to remain competitive within the rest of the region that is competing for a single amount of funding. It is simply a declaration for the need for affordable housing within the city of Austin in this area. I am not here today to ask you to make a decision on zoning-related issues, traffic, land use, or any other site plan-related issues. That being said, after meeting with the neighborhood association officers twice now, I am very eager to meet with the rest of the community to listen to their concerns and to take input on the development that we hope to eventually build. Our particular development will come before council three, maybe four times before we are given the green light to proceed. Throughout that time, I am committed to working with the neighborhood association to talk about what really is affordability, what are we planning to do, and how can we make this a strong, viable community.

[11:33:47 AM]

I work with cities all over the state of Texas, and one of the most important parts

about affordable housing is neighborhood outreach, and really showing people what affordable housing is, who it serves, and what it means. I take that especially serious when it comes to working in Austin and the town that I reside in, and have hopefully a family in someday soon. So if you have any further questions about the site itself -- but, again, this is just about a resolution of support. We are not asking for any other fiscal loan improvement today. And to clarify on why the number of units vary, when we submit our application with tdhca, we have to submit kind of a worst-case scenario. So we cannot go back in and request a certain percentage higher number of units. So we then -- because development is very fluid, you size your deal size down to what Numbers make sense and what you can build on the site as you are figuring out a site plan and other issues like that, so that is why there is a discrepancy. Every development that comes before you typically has a lower ultimate number of unit count from the notification letters you all received. Thank you.

>> Mayor Adler: Thank you. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. So if you have some familiarity with it, maybe you don't, but it sounds like you have some knowledge of the project. Are there any low-water areas around this project?

>> Sure, there is a hundred-year floodplain on the far east side of the property. We have over a seven-acre site, just because there is a portion of the site on the eastern boundary that has floodplain does not make it undevelopable.

>> Zimmerman: Okay. So you are aware. Thank you. I appreciate that.

>> Yes.

>> Mayor Adler: Okay.

>> Casar: Mayor.

>> Mayor Adler: Yes.

>> Casar: I understand your wording of, you know, the most number of units being a worst-case scenario, but I think in the council's view, I understand that for a lot of the neighbors that may have concerns about flooding or traffic, that fewer units may be able to alleviate that to some extent.

[11:35:54 AM]

But at the same time, I think that given this is our affordable housing program, we want to be able to house as many folks as possible. So at least from my perspective, and I think the perspective of various folks on the dais, y'all's ability to be able to serve more families is a good thing. And so I think our task will just be figuring out how to do that in a way that is respectful of the available infrastructure and the siting. But, as the mayor noted, that is probably more of a zoning question rather than supporting the application-type question. So, thanks for treading us into that a little bit, but I just wanted to add my perspective to that.

>> Mayor Adler: Okay. Thank you very much. Lynne Rios is the next speaker. Jeanie Beckham is on deck.

>> Good morning, mayor Adler, councilmembers. I live in Bridlewood Drive in the district 7. The developer's application for this particular project states that their intent is to comply with the city's S.M.A.R.T. Housing initiative. However, in reviewing that, their cost-benefit analysis and their application, and some other backup documentation that was provided, it appears that the project does not comply with several of the requirements of the initiative, particularly the transit oriented and environmental standards. On page 11 of the manual, the section titled transit oriented standards states one of the following conditions for transit access must be

met. There must be a bus route located within a quarter mile of the development by the time of full occupancy, or the developer must secure approval from the S.M.A.R.T. Housing staff in conjunction with cap metro of a strategy to provide alternative access to transit. Currently the nearest bus stop is nine-tenths of a mile from the project in question.

[11:37:56 AM]

According to the developers, the city cost-benefit analysis for this development, the project received the following scores from walkscore.com. Out of a possible 100 points, the location scored a transit score of just 17, which is in the lowest range and categorized as minimal transit, having to do with its access to public transportation. Again, out of 100 points, the walk score was just 29, which is listed as car-dependent, and the bike score was only 39, which is considered somewhat bikeable. According to the additional design standards, multifamily on page 12 of the S.M.A.R.T. Housing manual, accessible sidewalks must connect the complex to nearby transit stops. Well, we've established there are no nearby transit stops, but there are also no sidewalks on either side of oak creek drive, which is where this address is, for a section of that street. There are sidewalks farther into the neighborhood, but not in that section where the development is proposed out to the mopac feeder. The S.M.A.R.T. Housing process flow in the housing manual is on page 18 of that manual. Step one of the process states the following -- that the builder is to verify the existing conditions, first that the site is within city limits, second that site has sufficient transit access, which we do not believe it does, third that the site is outside of the 100-year floodplain, which is not entirely, and the fourth is that the site has appropriate zoning, which it currently does not. I respectfully request your careful consideration of these points and the others that our neighborhood folks are making prior to your recommendation for approval of the project for this to receive not only the requested tax credits, but also the fee waivers and interest-free loan from the city. Thank you very much for your time.

[Beeping]

>> Mayor Adler: Thank you.

[Applause]

[11:40:01 AM]

>> Mayor Adler: Dave Anderson is on deck.

>> Good morning, mayor Adler, and council members. Thank you for allowing me time to speak today. My name is Jeanie Beckham, I'm the vice president of the Northwood neighborhood association. And I'm speaking in opposition of item number 5. If I could take just a moment and ask the neighbors that are here in opposition to please stand? Thank you. As we are all aware, Austin is in need of affordable housing. And it's really quite a feat to try and find it. No doubt folks need more options. I understand that the process for tax credits to fund these projects is highly competitive. Since there is a limited amount of these taxpayer funds entrusted to the state to go around, I would think making sure that these funds go to projects that are placed in areas where there is easy and safe access to conveniences like grocery stores, pharmacies, parks, restaurants, public transportation, would be of high importance. We know there is a list on this application of certain conveniences in close proximity to the proposed development, and this helps the developer check off

some requirements and gain points on their application for tax credits. And although the site for this proposed elysium park and the distance to the businesses looks great on paper, it's a little misleading. What this application does not mention is that you have to cross two multilane roadways to get to those businesses, and to the public transportation stops. There are no grocery stores, pharmacies, parks, restaurants, or public transportation on the north side of palmer lane that are easily accessible from this proposed site on foot, by bike, or by car for that matter.

[11:42:17 AM]

To get groceries, go to the pharmacy, go to a restaurant, catch a bus, you've got to transverse both the north and southbound lanes of the mopac access roads, as well as six lanes of palmer lane. There is not an easier safe way to access these businesses, and I feel that this type of information should've been included in the developer's application. We are asking that you oppose this resolution, or in the very least postpone it so you can do a little more study and you can consider all the pros and cons, and come to a more informed decision on this application for tax credits. Approving an affordable housing application just because it says "Affordable housing" isn't always the best decision, or what's best for Austin. Thanks for your time.

[Applause]

>> Mayor Adler: Thank you. Mr. Anderson. Leanna Lang is on deck.

>> Mayor, mayor pro tem, councilmembers, my name is David Anderson, I work for the group representing the developer who was before you a little bit earlier. I just have four points to make today. Megan did a good job of laying out where we are in the process. What you're being asked to vote on today, we're not here to talk about land use, floodplains, traffic. There's a process for that. We are happy to go through that process. What's before you today is support of affordability in this part of town and on this site. From a planning perspective, highway, self-storage, open space, single family. This is a transition area. A project of this type is the right type of project for the area that we're looking at.

[11:44:21 AM]

So from a planning perspective, this project makes sense. From an affordability perspective, this is a high-opportunity area. Megan mentioned some of this before. From an affordability perspective, this is a part of town that doesn't have a whole lot of these types of facilities. And providing affordable housing throughout all districts of town is an important concept that the city leaders and elected officials have talked about for years. The third thing that I would ask you to remember is this is the only real chance for a 9% tax credit focused on families that you're going to have this year. There are 4% tax credit options -- or projects that are going to come forward, but the 9% tax credit deal translates to levels of affordability. So this is the only chance that Austin has to maximize, leverage federal funds to reach those deeper levels of affordable housing for projects that are focused on families. I think that that is an important point. And finally, we've said it several times, this is one step in many. Let's let the process work itself out. We are willing to continue studying the project from its physical limitations to its zoning limitations, and meeting with neighbors -- neighborhood associations, individuals, whoever we can to talk about the merits of what we're trying to put together. So I would respectfully ask you to consider your support for this item today. Thank you for your time. I'm available for

questions.

>> Mayor Adler: Mr. Zimmerman and Ms. Pool.

>> Pool: Thanks. Thanks for being here, Mr. Anderson. When you talk about the mfi and the income of the folks that this housing -- the families that this housing would be built for -- targeted for -- can you give me an idea what the income level is for the people that would qualify?

[11:46:33 AM]

>> I'd ask Megan to come down and help me address that. What's unique about this kind of project, from a percent area, median income, median family income, which are somewhat interchangeable, this project hits 30% mfi, 50%, 60%, and market rate. So it's very unique, and personally, I think it's the right way to do affordable units of this kind in that it touches a deep level of affordability and market rate in the same project, which I think is phenomenal. Megan, are you able to take about the levels?

>> Sure, the median income is 76,000 for this area. When you do the math and you think about residents making 30% of that, 50% and 60% of that, that is the residents we will be serving. We also have market-rate units available. We as a company believe that mixing that level of affordability with market rate gives a really good, sustainable product and project and helps create a sense of community to be around others of different demographics.

>> Pool: So as far as workforce housing, this would be teachers, maybe state government workers, maybe city employees?

>> First-year teachers, a lot of single moms. We have a property in Selma that we're building that we dedicated towards veterans. We're finding a lot of the young guys coming back with an injury can't afford a place, or to work full time. And so they're getting back on their feet and really trying to get back established into society. So there's a lot of different types of people that are good working-class citizens that are trying to get to the next step in their life. When I graduated college with an engineering degree, I made \$34,000 a year. I would qualify to live in this community.

>> Pool: And it's generally in a part of town that's growing as far as employment opportunities?

>> Correct. Through the tdhca process, we have to look at site amenities and be within a mile of proximity to six services.

[11:48:40 AM]

A mile and a half of a pharmacy and a grocery store. Those are all part of the application process that deem it to be a valid site.

>> Pool: And just one last question for you. A long process before we know the answer to that -- do you also look at the impact on the local schools?

>> Yes, ma'am. Actually, families are a protected class. As a developer, we're not allowed to track the number of children living in our community. But what we can track is where residents are moving from. And what we have seen on multiple of our properties, residents are either already living in the community or moving from 3 to 5 miles to our property. So they're already living in that area. A lot of times there's overlap with the existing -- they're already in the existing schools. But they're living with a family member doubling up, or they are living outside their means.

>> Pool: Okay. Thank you so much.

>> Mmhmm.

>> Zimmerman: Thank you, Mr. Mayor. I want to touch on something you said, because I think you're absolutely right. You're unable to figure out, say, how many teenagers might be living with the families on the property. But isn't it the case that when these properties are leased out, it is impossible for the leasing authority to discover criminal backgrounds of teenagers? So if they had been arrested for burglary or car theft, none of that can be known because the teenagers are minors, and their criminal records are sealed?

>> Everyone that lives at our property that is of 18 years of age has to go through a criminal background check.

>> Zimmerman: I was talking about the children you mention that had you don't know how many of them are, or their backgrounds, because you're legally prohibited from knowing. And it's one of the reasons that people object to these projects, because the people that move in --

>> From the years of experience that I have been a developer, we have not had a situation where we've had a teen that was not doing what they're supposed to.

[11:50:42 AM]

The way we run our properties is, we have a no tolerance policy for any sort of crime-related issue. If we have something on our property that we're not happy about that happens, you know, on an amenity center, we shut that down until we get it addressed. And so from a management standpoint and maintaining compliance, making sure that our residents, whether it be their children or the adult, are doing the right thing, is very important to us. Otherwise we wouldn't get asked to come back to communities time after time if we weren't running the property in a way that maintained a good community.

>> Zimmerman: I appreciate the answer, and you are doing a very good job presenting your case. I'm here to present the opponent's case, because I don't support the project. So I want you to know where I'm coming from.

>> I understand.

>> Zimmerman: I'm coming from a position of constituents who oppose the projects. And the final question I have for you -- I know you're here asking for a resolution. And that will result in points that improve your chances of winning, you know, the bid at the Texas department of housing and community affairs. And so the question is, for many I constituents -- for my constituents, what can they do to get points deducted from the application project?

>> I'm not sure how to answer that.

>> Zimmerman: The system is rigged, if you ask for points, we can give them to you. If opponents come and ask us to deduct points, we can't.

>> A lot of this is handled through the community input process.

>> Zimmerman: You're right. I went to one of those last year. There is a community input forum conducted by the tdhca, I went to one last year for opposition to cardinal point. This is really important. The audience was overwhelmingly opposed, okay. And there was somebody there taking notes. At the end I said, if we have 500 people come and every one of them are opposed, what does that do to the scoring formula?

[11:52:44 AM]

And the answer is, absolutely nothing. They could have 500 neighbors show up at the

community hearing all in opposition, and it does absolutely nothing to slow the project down or to deduct points.

>> Mayor.

>> Mayor Adler: Thank you, mayor pro tem.

>> Tovo: Thanks. I apologize if you've already addressed this, but you've talked about your goal of attracting families with children to this complex, and I wonder if you could talk about the on-site amenities, and particularly if there are any early childhood programs that might be located on-site, or after-school programs or other things that would be particularly appealing to families with children.

>> Yes, ma'am. So all of our communities have a business center that can be used as either a learning center or continued education training. We actually partner with skill point alliance here in Austin. I'm on their board of directors. And we are incorporating them into our community to provide things like computer efficiency, stem program classes. We build a space that could be a multiuse space available for children and adults trying to, maybe, pick up a few extra skills. Aside from the business center, we will have a multipurpose room that could be used for birthday parties, family gatherings. We're big on fitness, and so our group always has an indoor fitness facility. We've also been incorporating -- on some of the green space, we would like to incorporate outdoor fitness equipment, maybe a little bit of a jogging loop. And then, of course, a playground.

>> Tovo: I appreciate that information. And as opportunities present themselves to partner with organizations that might be able to provide on-site learning environment, or after-school high-quality after-school or high-quality childcare, I hope you will remain open to that. I think that's a model that's been so successful here in Austin in some other affordable housing communities. And I would love to see it.

>> Sorry, we also have an art and public places program that is in every single one of our communities.

[11:54:48 AM]

As ownership, we find that it's a very important piece that helps create a sense of community in our education. And so we either commission a local Austin artist or a Texas artist. Our most recent one was we used thought barn, that's a local artist that created a play hive for our kids. It was a neat thing to create that was different than just a standard playground.

>> Tovo: Thank you very much.

>> Mayor Adler: Okay. Ms. Garza.

>> Garza: I just have to reject the notion or suggestion that these kind of communities house a bunch of criminal teenagers.

[Applause]

>> Garza: I absolutely respect the neighbors having concerns about traffic and all that. And I'm listening to the concerns. The things -- what's hard about these kinds of issues is that the families that will benefit from this project -- we don't know who they are yet, so they can't be here before us and tell us how wonderful this project was for them, how they were able to probably get out of poverty because of it, how they were able to benefit from -- you know, whatever amenities that this project will allow. So I just have to reject the notion that these are bad. If we say our goal is to help economic segregation, these projects do that.

>> Mayor Adler: Okay. Ms. Houston.

>> Houston: Thank you, mayor. I don't have any questions, I just have a

comment. First of all, I really always appreciate when neighbors are able to develop a presentation like you all did, because it's like David going before Goliath. And so you did an excellent job researching and putting all that together. And I know we've got a couple more speakers left. But has there ever been a project -- and maybe I need to wait until after they finish. Mayor, is that okay?

>> Mayor Adler: That would be fine.

>> Houston: I'll wait.

>> Mayor Adler: And there will be a chance to talk.

[11:56:49 AM]

>> Houston: Good.

>> Mayor Adler: In fact, it's almost 12:00 P.M. Now. It sounds like this is going to be -- we have 15 minutes more of speakers to speak, and then I think we're going to be up at the dais for a little while. We have citizen communication that can't start any earlier than 12:00 P.M., but we usually break to be able to do that. I want to step out to the plaza, and I think that some of the other councilmembers want to do that as well. So the way I would schedule this is I would stop this item and pick this item back up, take a brief recess for about 15 minutes or so so that we can walk out to the plaza, come back, do citizens communication, and then come pick up this item and complete it.

>> Mr. Mayor?

>> Mayor Adler: Does that sound okay?

>> When would you like to schedule lunch?

[Laughing]

>> I'm not suggesting we need to do it before, I'm just wanting to understand.

>> Mayor Adler: What I would do, I think, is let's come back, let's finish this item since we've started it. Then we'll break for an hour or so for lunch and then come back.

>> Okay.

>> Tovo: Mayor, I think that's a very good plan. We do have citizens communication scheduled for 12:00. And so it sounds like we will maybe pick that up around 12:15?

>> Mayor Adler: That's what I was saying. We'll go to the plaza, come back and do citizens communication, finish this item.

>> Tovo: I didn't want our citizens who have come here to think they're going to be behind the rest of the zoning discussion. Citizens communication is at me. I'm not -- that's exactly what we're not doing today. Finishing this case.

>> Mayor Adler: That's correct.

>> Tovo: Thank you.

>> Mayor Adler: Then we'll take a lunch break.

>> Troxclair: For the people who are here to speak on this item, for their lunch, we probably are not going to be able -- it sounds like we're not coming back to this item until about 12:45.

>> Mayor Adler: Probably between 12:30 and 12:45 -- 1:00, I think.

[11:58:56 AM]

Let's just say 1:00 to be safe. Thank you.

[12:25:07 PM]

>> Mayor Adler: All right, I think we're ready to get started again. We're going to do citizen communication.

>> Mayor Adler: All right, we're going to start citizen communication. The first one speaking is Michael Fossum.

>> Good afternoon, councilmembers, my name is Michael Fossum. I'm from south Austin. I'm here to talk to you today about our management policy. On this first slide, these are things we brought to you before about our program. We've had a successful program in place since 2005, in conjunction with Travis county, to manage aggressive coyotes. Officer Hammond is trying to change the program. Through the budget process, what I suspect she will say is that she's going to handle this in-house. Texas wildlife service is out of compliance with city policy. Minor changes she tried to negotiate with them, but she can't work with Travis wildlife services, and funding will simply disappear for this program. This is not just a supposition, this was confirmed to me off the record by a city of Austin staffer. What would be the fiscal impact of ending this policy? We pay \$10,000.

[12:27:09 PM]

What's the situation at the animal services division? Officer Hammond says, she only has a third of the officers she needs. Per the city auditor, priority calls are not being answered by animal services in the time that it should be. There's no in-house expertise to manage coyote conflicts. The number of animal protection officers needed to fully staff the department would be 40 at \$153,000 to add each officer, that's a shortfall of \$6 million, yet the animal services officer wants to start either a wildlife protection program, or downgrade it to a coyote management program. So, what would be the cost if we just diverted one animal control officer to the coyote management plan? A 1500% increase in cost to our coyote management, and to boot, we'd get a program that we've seen over and over again fails wherever it's tried. So I request for actions. We need to have a public hearing to discuss the coyote management policy. We're entitled to have one any time we are going to change city policy, especially as it concerns public safety. We need to be fiscally responsible, and we also need to have a hearing any time we're looking at this type of cost increase. So what I would propose is that the council amend the 2014 coyote management resolution to specifically include section D from the interlocal agreement, predator control, as part of Austin coyote management policy to the policy will stay in effect. I will visit with your staff and hopefully I can find four cosponsors to bring this to council so we can have a robust public discussion, make an informed decision on this issue, and not change this policy through the back door. Thank you very much.

>> Mayor Adler: Thank you. The next speaker is Paul aviña.

[12:29:11 PM]

>> Thank you. I've heard you've been busy signing checks for commercial property owners, the same people who displace blacks -- and -- for the 1800 houses burned up, fast currents swept away people, a guy crashed his airplane in a building you provided opportunities for outsiders, with the locals left to compete for servitude positions. Their many abilities, skills, and talents left to rot. You even taxed them. This destructive ideology has put blacks into the streets, all to accommodate new commerce. Many times, we've fallen victim of this ideology as it trickles down into the

minds of some people in the community. Over the same seven years, these efforts knocked off many blacks from the social, political,

>> Of course I wouldn't care either if I saw a black guy shivering by a dumpster in the freezing night on Riverside drive if I was making 20 grand a month, like our black city manager does. That's your good side. Your ugly side is you commit crimes against the population, complaints have been filed but your brotherhood style of government and the magic of corruption gives you protection. Austin has become so hostile to the locals that we got 10 million court dates, while (indiscernible) Go to restaurants, museums, art exhibits or government -- for subsidies. The F.B.I. Is cleaning up this but they are reluctant to go after guys who do money laundering, rabbis who deal with cocaine, or who reach into little girls' underwear, who tinker with school policies, not so much, even when this planning and zoning a psychological reason for the -- as he works for an abortion clinic.

[12:31:26 PM]

You need to open up to your constituents, tell them that you are here to provide for caucasians with credit money that senators, representatives and judges pledge allegiance to foreign country to get elected, that deputies drop inmates on the courtroom floor face down to force fingerprints behind their backs on papers they cannot read. Tell them that Austin police conducts blood (indiscernible) For training purposes, with the american-statesman watching and that ticket race on workers and housewives balance your budget. Tell them that you often trash the U.S. Constitution and violate human rights to care for the wealth of strangers at a great cost for the people of Austin. You are not worth the money you take from us. Thank you.

>> Mayor Adler: Thank you, sir. Next speaker is Carol price.

>> I have an E on my name. Council members and mayor, thank you for allowing me to speak. At the last council meeting that you had you heard about the 311 calls that were on the rise for violations against str. I took a lot of time this week looking at that data. I'll be sending it to you in more detail next week. I just want you to know that of the 391 calls that were made this year, 349 at least were about licensing issues, that's 90%, and we found exactly one party call that was reported apart from the major house on Jarrett and garden that you all know about that are being shut down. But more importantly I'm here to speak about the proposed amendments that you'll be speaking about and debating next week. I ask that you take each one and look at them as an individual amendment, and ask yourselves, who will this affect and how?

[12:33:28 PM]

Is this rational or punitive? Do we have the resources to enforce and to what end? Can we possibly pass a law that legally allows 10 people to book a home for a weekend and then ask that six only are allowed outside at one time. Would you book such a place? Why are we holding str. and only str. to such a high standard in regard to meeting code requirements when long-term rentals and indeed residents in their own homes have no such onerous demands placed on them. This is an end run around a ban. This is what I would call death by a thousand codes. Asking that we apply for a conditional use permit was slipped in very innocently by council member tovo. These are of consequence because thousands of dollars -- they cost thousands of dollars to get. You must hire a lawyer, and most importantly I would never get one in

my neighborhood of Barton hills or body inwhere vigilant and I is there. That can be supported by 311 when 391 calls come in about licensing. The majority of you have said you do not wish harm to good owners, that this was always about enforcement and that enough is enough. Might I therefore respectfully ask all of you, how did we get here today? Why isn't the moratorium on new licenses enough? A 3% cap enough, 22 amendments enough? Please ask yourself why when Ms. Kitchen explicitly asked staff to bring back options that would do no harm to good actors, that Ms. Link appeared at a planning commission hearing and introduced the concept of aban and not if but when. Assistant city attorney Trish link has asserted to the planning commission that it was the will of you to eliminate type 2 rentals in Austin, whether intentional or not, Ms. Link has clearly and indisputably misled the planning commission.

[12:35:38 PM]

And by the way, I was at that meeting where I was very publicly and angrily accused of being a greedy owner and where I personally witnessed commissioner Jean Stevens who wanted a thousand-foot rule over a 500-foot rule, say to the commissioner next to her, I want it my way because I'm older than you. That is not good governance.

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

>> Thank you.

>> Mayor Adler: Cynthia Reynolds.

>> Mr. Mayor?

>> Mayor Adler: Yes.

>> I'd just like to make sure I'm understanding correctly. We are scheduled for the 23rd, right?

>> Mayor Adler: That's correct.

>> So that's week after next. I just wanted to make sure everyone knew that. Okay.

>> Mayor Adler: Mary Owens is on deck. Ms. Reynolds.

>> Mayor, council members, I would like to talk to you about some of the significant unintended consequences of the new str regulations you're considering on the 23rd. What you're discussing isn't just regulating away an activity that certain council members don't like but is an attempt to deprive Austin citizens of their lawful rights. Let us be very, very clear that in Texas we do not have the right to choose our neighbors. We do have the right to use our property in any legal manner we see fit as long as we are not disturbing or endangering our neighbors. Let me repeat that. Texans have the right to use our property in any legal manner that does not disturb or endanger others. You're considering regulation that would severely abridge citizens's rights to assemble, violate their rights to privacy, you're considering regulations that would unfairly subject one property owner to onerous inspections that have nothing to do with health and safety. All these are arbitrarily dictated based on the length of the lease. You're telling Austin citizens that they can rent out their property for the 31 days of January with no undue limitations, but if they want to rent their property for the 28 or 29 days of February they are now subject to a whole host of severely limiting restrictions.

[12:37:39 PM]

Only six outside at a time is the limit on assembly. A guest registry is a violation of privacy, requiring code inspections creates a different standard of health and

safety. And the thousand foot rule is an out right denial of their rights based on their proximity to another citizen. This is not just, and texans have a historic reputation for vigorously defending their rights. So let's talk about these unintended consequences. As council member Casar noted, there are many things that are banned that have no effect on the activity. We know definitively from other cities that a ban will result in an increase of this activity. New York, a town with significant enforcement capabilities, had a 14 fold increase in rentals following their ban, but there is another likely outcome. This is a state that firmly believes in property rights. This is not New York or California. Arbitrary restrictions or denials of texans' property rights based on the length of a lease will not withstand a legal challenge in a state with our firm convictions. So to those council members for whom whatever reason simply don't like that we have these rights consider your actions carefully. With overreaching regulation, legal precedent tells us that the end result will be exactly the opposite of what you intend. We all agree and are on board with the idea of cracking down on bad actors in our neighborhoods, which is where this conversation started. The 22 measures that have already been enacted and been supported by the overwhelming majority of good actors are already producing positive results. Code is now empowered to shut down -- I'm sorry, to handle complaints with the administrative hearing process. I'm almost done. Owners have to be licensed in order to advertise. Bad actors have been shut down and have had their appeals denied. It's time to let those actions take hold and move on to more pressing issues, which this city has quite a few of.

>> Mayor Adler: Thank you. Mary Owens and then sue long is on deck.

[12:39:41 PM]

>> Thank you, mayor and city council for your time. I'm here to talk about ad violations, certificates of occupancy and the unintended consequences of the suggested str ordinance. The increased enforcement is working. I received a violation for advertising more than six. Never mind that my advertisement was for two houses and that the administrative process wouldn't find me innocent because I was already proven guilty just by receiving the violation. What this ad did teach me is that code enforcement has teeth. This ad, they can charge me \$2,000 per violation per day if I don't come into violence. That's in criminal charges, and another thousand in civil charges. They can also revoke my certificate of occupancy. My certificate of occupancy is precious to me. It is hanging framed in my living room. That's because I spent \$40,000 on this document. 17,000 of which was on my Visa card. Why are you trying to suggest that my certificate of occupancy won't be good in ten years? Why do you think that my home needs to be inspected by code? Are you aware that this is what they expect me to do? This is the 56th page international property maintenance code. There's another four binders of Austin city code. Do you think your house would pass this inspection? And what happens if they find a violation? Did you know that once you have a violation on record, until you resolve it, if your house becomes vacant it cannot be rented for any term. You can't rent it long-term. You can't rent it short-term. You can't sell it without telling the buyer that it has an existing code violation and banks don't underwrite loans on houses with code violations. I didn't make this up. I know this from firsthand experience. This is why I have a certificate of occupancy hanging in my living room. Previous owner of my house lived next door to a vigilante who repeatedly called him in. He got to the point he couldn't afford to fix it, couldn't afford to rent it.

[12:41:44 PM]

In the end he lost the house to the bank. I've already earned one of my strikes. If maintenance issues are counted against me, it's likely that my 1930s house will get another strike. People are already to the point that they're putting up fake ads. Someone has filed a restraining order against someone else with an str too, not me, but this whole situation is already completely out of hand. You've set the bar for us to lose our licenses far, far too low. I think what could look is Zimmerman's suggestion of an APD task force. That would make houses quieter. I don't think code enforcement is the right tool for this issue. You've already turned up the heat on code. Let's see if they can make things work. Thank you.

>> Mayor Adler: Thank you. The next speaker? Andrew Berglund is on deck. Is Mr. Berglund here?

>> He's not here.

>> Mayor Adler: Not here? What about Leanna Lang? You're on deck.

>> Wanted a little bit of time --

>> Mayor Adler: Ms. Lang, why don't you go ahead and start --

>> Hi, my name is Emilia tarbin speaking on behalf of Leanna. I'm speaking in reference to the stage brook development.

>> Mayor Adler: Will you hold on, please? I'm not sure that we can have a substitute speaker come in in citizens communication. I think that the rules are that you have to sign up to do that, and --

>> She can't -- I'm speaking for the Northwood association.

>> Mayor Adler: No, it's got to be the person that signed up. I'm sorry.

>> Can she -- she's speaking on item no. 5, is she not?

>> Mayor Adler: She can speak at that point. I'm on citizens communication.

[12:43:45 PM]

>> Yeah, you can speak when we take up item 5 again, which is what you're talking about, the sagebrook --

>> It is, Leanna was going to give me --

>> We'll get back to that item.

>> Mayor Adler: You'll have the opportunity to speak because we'll call that item up again.

>> Okay.

>> Mayor Adler: Okay? So are we ready then -- I think Mary Owens? You already spoke. And then sue long.

>> I think we're all --

>> Mayor Adler: Are we ready? And we do that just because ten spots are really coveted spots within the community and people sign up for them. But that's separate from being able to speak on the call at issue, which is still coming up.

>> Honorable mayor and council members --

>> Mayor Adler: Would you point the microphone toward you?

>> Oh, yeah, sorry.

>> Mayor Adler: Thank you, ma'am.

>> Very seldom does one reach me or I reach it. Honorable mayor and council members, I'm going to give up my speaking time tonight or today to you, or to some of you. In a video I brought to share, you yourselves will have the final word on

where the str issue came from and where you wanted it to go. On the 23rd you'll have your final word on what happens next.

[Playing video]

>> And it was not my intention to disrupt the vast majority of the short-term rentals and owners who were operating in compliance with code and ordinances. My goal is to determine how we fix the enforcement of short-term rentals without disrupting our neighborhoods by being (indiscernible).

[12:45:45 PM]

I think I'm understanding the intent is a whole right to options can come back to us, because I do have a concern about those existing type 2s who don't have any enforcement issues. Who have been good operators. And I'm going to be wanting to see options come back that -- that allow for those types of type 2s to continue.

>> (Indiscernible) Is not punished for (indiscernible).

>> Also (indiscernible) To those people that are already here and that are operating at good actors, and I want to make sure that what comes back to us respects -- respects what they've done, you know, with their property.

>> Everybody has been complaining that

(indiscernible) The ordinances are

(indiscernible). It's the one thing that both compassion and

(indiscernible) Agree on, and that is (indiscernible) Ordinances already on the books

(indiscernible) Enforcement.

>> Mayor Adler: That we should do away with all the bad actors and the bad conduct. Everybody agrees that we shouldn't stop good actors from being able to do good actor conduct. Everybody agrees to both of those two things.

>> This has been an enforcement issue. Let me make that really clear. This has been an enforcement issue.

>> My understanding is that attempts to just ban it outright, if that's all that happens, you can still have cities where there are thousands of short-term rentals operating. These are useless if we don't have enforcement. I'm not going to support these because the problem is we're not enforcing ordinances on the books.

[12:47:46 PM]

>> Renteria: There are lots of things we've tried to banned that are obviously not banned and I don't want to start listing those.

>> Zimmerman: I still want my colleagues to come back to attack the problem, the original problem.

>> Mayor Adler: We have one here moratorium, and at this point I think

(indiscernible) The things that we've done to see if they could work and --

(end of video) Next speaker is James Crill, and then quentiel filand is on deck. Mr. Crill?

>> I'm from Chicago, been here a month.

>> Mayor Adler: Hang on a second. Hang on a second. Couldn't hear you.

>> Does this work?

>> Mayor Adler: It does now.

>> I'm from Chicago, lived here a month. I'm kind of awed by what I've heard this

morning. Citizens and infrastructure are two of the most essential and valuable assets of any municipality. The experience of a new arrival can tend to shape that relationship. Those persons interacting with new arrivals play a very important role in that shaping process, therefore managing those persons is a very important part of the process. I rented two units in Austin in January of '16, spent eight hours attempting to establish power with Austin energy. My first encounter on January 14 was at the webberville location. I presented to letters of credit from Arlington Virginia and one (indiscernible) Cps San Antonio. At first billing statement the letters were denied as insufficient evidence. Again I returned to the webberville location on February 2. The agent maintained the position that I had to have had 12 consecutive months of service. I said I did satisfy that and had presented those documents. He seemed unable to understand the complexities. The agent then asked me to resubmit all the letters of credit and I complied.

[12:49:47 PM]

He said if I did not hear from, quote, someone, to call in two days. That is when I made the decision to take advantage of this venue. I had complied twice requiring deposit indicates lack of trust. I had to spend significant amounts of time to assemble documents and then reassemble them and drive twice to webberville. I'm a disabled vet, though I don't look it, and live on a fixed income. I handle my finances in a very control and conservative manner. Austin has become very expensive and that impacts at all levels. I refer to my first statement about assets. Cities promote themselves to attract citizens and businesses. The essence of promotion is to create an image in the mind of the listener of the time or experience that person or business will have with the city, in this case, Austin. One of my responsibilities professionally was to promote entertainers. I did that while using that definition, which was my own. I always made certain that the person that I was promoting was worthwhile and that the citizen experience would be memorable. I submit that the decision makers of Austin and the metroplex collaborate with these thoughts in mind, thus potentiating the fulfillment of expectations of new arrivals as well as current residents. If there are any questions I'm available at reasonable mutual convenience. Respectfully submitted, Jim Crill.

>> Mayor Adler: Thank you, sir. The last speaker we have is quentiel fliland. Is quentiel here? And we are done with citizen communication. We're going to pick back up in the - - no. 5. Ms. Houston has a group of people here that are waiting to leave with the postponement of one two east until April 24. I think the applicant had asked for it to be set in March.

>> Houston: Correct.

>> Mayor Adler: Do we want to -- let's see if that's going to take a long time for people to be able to leave.

[12:51:53 PM]

Ms. Houston?

>> Houston: I move adoption of postponing item no. 31 till April the 24th.

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

>> Pool: Second.

>> Mayor Adler: Ms. Pool. Is there discussion on that?

>> Houston: And let me tell you why I'm -- mayor, the first thing is that

we're beginning festival month at that time, and we've already got a bunch of things already on the books coming starting on the first of March, and so traffic gets tied up, it's hard for neighbors to get off and come. So if we would do it in April it would be much easier to have the -- not have so much congestion downtown.

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

>> Tovo: Council member Houston, I think I heard you say April 23?

>> Houston: I think it's the --

>> Tovo: I think maybe you meant a different day.

>> Houston: Yeah, it's April 14.

>> Tovo: And were there any other dates -- would, say, the 31st or were you just trying to stick to a zoning meeting.

>> Houston: I was trying to stick to a zoning meeting so we wouldn't have other things come up, but in March we've got parelli world challenge, kite festival, sxsw, the rodeo, St. Patrick's day and the Texas relays, all from 3/4 to 4/2. So I'm trying to get us out of congestion downtown and so that the neighbors won't be disrupted by trying to park.

>> Tovo: Sure, I agree, March is challenging. You know, just -- it sounds like there are different ideas about when to postpone it to, so I'll just say, if it makes it an easier discussion here today, I'm certainly open to hearing this on a non-zoning council meeting, like the 7th. I don't know if that --

>> Houston: 7th of April?

>> Tovo: Either way -- either way from my perspective is completely fine, and I know you've been talking with the parties, but it sounded like there were differences of opinion about --

>> Houston: Well, I think it's important to understand that the developer, through the staff, has got multiple postponements over this year because they've not been cured enough for them to bring it to us.

[12:54:05 PM]

So this time with the action of the planning commission on Tuesday night, I think the neighborhood is requesting time to kinds of look at all of that information and come back with some very good reasoning for why they support --

>> Tovo: Okay.

>> Houston: -- Or not support the zoning change. So I would stick with --

>> Tovo: 14th.

>> Houston: 14th,.

>> Tovo: Okay, thank you.

>> Mayor Adler: Any further discussion? Those in favor of postponing to the 14th please raise your hand. Those opposed? It's unanimous on the dais, with council member troxclair off the dais. Okay? Now we'll continue then with item no. 5. We were in the middle of discussing that issue. We were still in public comment. I think the next speaker that we have is Leanna Lang.

>> Tovo: Mayor, I believe we had a speaker come up during citizens communications, Emilia Tarbet and she is now signed in and I think her neighbors are in agreement that it was okay for her to go first, if that's all right with you, because she needed to get -- she's not able to stay. That's fine. Ms. Tarbet, you can speak.

>> Hello. I just wanted to start out by saying this is the sign that I've had in my front yard for many years, or some variation of it. I live on silver creek, which is the main street that goes into Northwood, the neighborhood that the saigebrook

development is proposing putting this complex. I have two young children, and I can't let them go outside. One of them is 12, and he probably knows better, but the traffic is so bad on our street that I can't even let them play in the front yard. I've had several neighbors stop and ask me where I got this sign because they feel the same way. Their sentiments are shared, the same as mine.

[12:56:10 PM]

The only traffic light that goes into our neighborhood is at the end of my street. It's the only protected left turn as you leave the neighborhood. We have four neighborhoods, McNeil estate, Preston oaks, the reserve and my neighborhood, Northwood, that use this light, especially in the morning with morning commutes to leave the neighborhood. So in the mornings traffic is especially congested. People opt to use this street rather than going down oak creek because it is a protected turn. They also use this street, because gainameade, the only exit on to Parmer is not protected left turn, and on Parmer lane to try to cross over in the morning is nearly impossible. There's been several -- several wrecks that I've noticed over the years. It's extremely dangerous. In reference to the developer not really mentioning data about schools, I can only speak from my experience. My son goes to summit elementary. This year his class, we waited in limbo, many of us, because the school -- the school was overcrowded. They had to bring in substitute teachers. We had to wait for two weeks to see if the -- if the school board could approve hiring more teachers. So we had substitutes, and eventually they approved a certain number and our classes were divided, and it resolved itself but was an issue. There were just simply too many children enrolled. I'm all for affordable housing. My husband is a teacher. He has spent the past 15 years helping underprivileged children have equal opportunity. He's the type of guy that will spend his own money buying children shoes, and I share in his plan to help underprivileged children and create an environment of equal opportunity. But this area is simply not the right area for this development. I grew up in a city where you walk everywhere.

[12:58:11 PM]

I would love it if my children could walk places. We try to take our children to walk across Parmer simply to have a meal, and even with my husband and I holding our children's hands it's simply too dangerous. We can't walk to H.E.B. We can't walk to restaurants. Parmer and mopac simply basically quarantine us into staying and not walking anywhere.

>> Mayor Adler: Thank you very much.

[Applause] And now Leanna Lang.

>> I follow her.

>> Mayor Adler: Is Fe Iraqis, Ta deed here?

>> Yes, I will give mine.

>> Hi, my name is Leanna Lang. I'm the president of the Northwood neighborhood association. I want to start off by saying our neighborhood is not against affordable housing. We think it's commendable what the developer is trying to do to help people who need affordable housing. We would be against any high density development in this location, no matter if it was units for sale, luxury apartments. We would be against any high density in this location. The application is for tax credits for an apartment complex at 3300 oak creek drive, not an application for tax credits for

an apartment anywhere. And this location poses major problems for the people who will be living in the apartment as well as the neighborhood. It's just not a good use of traffic -- tax credits. And one of the major problems it poses is with traffic. And so you can see on our -- oh, you have to go back to that.

[1:00:12 PM]

Okay. Northwood, as the previous speaker was talking about, is a neighborhood -- it's a pocket neighborhood, along with Preston oaks and (indiscernible). And it's surrounded by mopac, Parmer, empty land to the west and rural residential homes to the north. Our main streets are two collector streets, are solar creek and oak creek. They have no dividing lines. They have no speed bumps. They're short collector streets as well. Oh, can you go back to that slide? And so here's silver creek and there's oak creek. The apartment residents will have to enter and exit, both their entry and exit to the apartments will be on oak creek drive. That means they have to drive through the residential neighborhood in order to access the apartment location. You might wonder why wouldn't they just go out oak creek and not drive through the neighborhood? But the reason is oak creek, that exit there poses a lot of problems. It's dangerous and it's very inconvenient. You have traffic coming down south -- it only goes south. You can only go south turning out from there, and you have traffic going south off the frontage road, and it's hard to judge and it's -- it's kind of scary sometimes turning out up there. Then you have the light at Parmer and mopac, and during rush hour traffic the traffic gets very, very backed up on the frontage road, and no one wants to sit there and wait for that traffic to clear out. You also have a problem with the train tracks. If the train is coming, you won't want to exit the neighborhood, you won't want to sit there and wait for the train, and likewise, if you're entering the neighborhood and the train is coming -- oh, can you go back to that?

[1:02:18 PM]

>> Here? Okay.

>> If you're entering the neighborhood and the train is coming, oak creek only gives you about two places that you can park your car waiting -- for waiting for the train to pass by. So the longer line of cars have to sit out on the frontage road while traffic behind them is coming extremely fast, like 60 to 70 miles per hour. There's no dedicated right-hand turn lane and there's no room for it there either. And, you know, if you need to go west to like Mcneil and Parmer H.E.B. Or you want to go to summit, you want to go to 183 Duval area, you're not going to go out this way, and even coming home, if you're coming from the west, you don't want to go up and around and go north and then come back south. So most people end up going out silver creek, our only light, which is the exit to the south, and, in fact, many -- many people who don't even live in our neighborhood will cut off that frontage road of mopac and drive right through our neighborhood, we're a cut-through neighborhood, as you can see with the big tanker truck sitting there at silver creek. So this already poses a lot of problems for our neighborhood, and adding an additional 200 cars, if it's 120 units, that's going to exacerbate our problems. In the morning this light gets very, very backed up and you have to sit and wait, and adding another 200 cars going in the same direction is going to exacerbate a lot of problems we already have. In addition, oak creek and silver creek, it's a two-way stop, and so when you -- when you're on silver creek you have to

pull up, and you have to see if there's anybody coming on oak creek, and the cars coming down oak creek tend to go fast, so we've had a lot of, you know -- a lot of car crashes there. Also, where the apartments are being proposed is at 3300 oak creek, and right there there's a bend in oak creek, so you have a blind curve, and people coming off the -- it's so close to the frontage road there -- if you want to go back to the map showing the neighborhood -- it's so close -- here's 3300 oak creek where the red dot is.

[1:04:37 PM]

If you're -- you know, people coming into the neighborhood, it's so close to the frontage road, they're going very fast because they just come off the frontage road, and that's very scary for pedestrians and for any car that wants to pull out there. I was just there the other day and they were flying down the road. The other thing is, you know, the developer, for 95 units showed a 699 vehicle trips per day increase, and that would require per the code 25.6.114, there's neighborhood traffic analysis required. And so -- is that six minutes or is that -- okay. Well, we would just ask that you would not support the tax credits because it's not an ideal location for any type of high-density development. Thank you.

[Applause]

>> Mayor Adler: Sorry, Margo Dover.

>> Mayor, mayor pro tem, and city council, I'm Margo Dover, executive director of skillpoint alliance here in support of saigebrook developers, and the reason we are in support is because they build aspirational housing, housing that shows that you can have respect for your residents, that you can build and bring them in as a community, ask them about things like finishes and what they want their community to be like. It is on these properties that skillpoint is allowed and is invited to do workforce training. We're very pleased with that because it allows us to assist single parents who are working to change their life by closing skills gaps. We are able to address them being in continued training while their children are in stem camp, if you will, or in three weeks of stem learning at the same time, which helps them to not have cessation of learning if it's the summer or to have additional meaningful time spent when they're away from their parents.

[1:06:54 PM]

But the thing about these developers that makes the difference to us is that they always reach out to a trainer, they always try to make sure that their residents have more than just a place to live. They have a place to grow, a place to obtain the next steps in their lives, a place to close their skills gaps and a place to look around outside them and see other people whose lives are perhaps at a different stage than theirs this they can aspire to. We believe the children should see other children who are playing, who are from families who may have more than them but share with them, share their life experience, share what it's like to have a little bit more, so they say, we're proud of you, mom and dad, for working toward more, we're proud of what we have and proud of the circumstance. We believe a lot of service level providers for the city will want to live in a place that these developers are making because it pays attention to the fact that they are hard working participants in our community, and yet they can't afford often to live in places in our community where they would like to live. And we believe that this particular

neighborhood also has a much higher group of people that live in it that need more affordable housing, so the idea that this developer will come in, will do mixed use, will build as aspirational units. Part of their units in Waco, Selma, that you heard Megan talk about, beautiful, but I also want to Florida to visit some of their units before we made a decision to do any training with them. This is a consistent goal of this company, from the top right across the board, that they care about respecting the people that live on their properties, in their communities, so that these people can be more active members in the community around them, and one day not necessarily live in this community anymore but go on to buy a house. And I don't know if I'll get this exactly right, but I do know that if you live in one of their communities for two years and you sustain paying your rent and being a good citizen, they help you to move out and buy a home.

[1:09:03 PM]

It's pretty spectacular. Thank you.

>> Mayor Adler: Donna Bloomberg. Thank you.

>> Okay, and let's see. Joann -- do I have some minutes donated?

>> Mayor Adler: Is Joann here, Joann Brady? Okay, you have six minutes.

>> Thank you.

>> Mayor Adler: Yes, ma'am.

>> Thank you for hearing us today. I'm donna Blumberg. I am the longtime editor of the Northwood newsletter. I've lived there over 26 years. I would like to address a couple comments made by various council members before the break. First one was about there are no future residents living here to say how wonderful the area is. Well, I would like to refute that. My daughter grew up in Northwood. She knows the area very well. She is a young professional. Her income puts her squarely in the affordable housing group. I asked her if she would be willing to live in affordable use apartments, apartments, in this area that is being thought -- if she didn't have a car, she said absolutely not. Why? Because it's too dangerous to cross Parmer, let alone going over mopac. She's young and fit. Never mind with a child or with groceries. It's scary. So keep that in mind. Another council member said that to make the greatest difference, get the maximum amount of units there. Makes sense. But that also means more impervious cover. That speaks to the flooding that we are already encountering here, and these are maps and pictures from this area. Let me call your attention briefly, you'll notice that there are several tributaries of walnut creek, the red circle, of course, is where the apartments are suggested or planned. That's 1 walnut creek, but there are two other tributaries, particularly the western one goes through my backyard.

[1:11:10 PM]

This is that western tributary normally, and then after just a few inches of rain, this -- this is Normal. But then take it more than a few inches of rain, going a little farther west, right by the Robson ranch boundary, a bit of a difference there. Where will all that rain dump into, and all the water? Then gets also worse with the severe flooding here at times. Right here, this is oakcreek drive. You can see the green arrow down there, the photographer is sitting right next to where the tract by the apartments is located. It's so much rain already the street is flooded, and from this time there actually had to be a high -- a water rescue, because at night the driver could

not see that there is water over the road, and they had to be rescued from this. Again, this is Halloween 2013. Fast-forward, flash flood forward to may last year. Had another video. This is from that flooding. We have video, the YouTube link is there. These are just a few screen shots I pulled from that that a neighbor took. Looking just to the left this is part of the tract for the apartments. A little wet right here. Okay. Moving downstream, and it's not only right at this location but also downstream, additional impervious cover, how much more water will be forced to go run off because it can't go into the land. This is looking north to the Parmer bridge. Same location looking south. You see those Orange storage units. That's a little bit north of waters park. Same location last may, a bit wetter, to put it mildly. Wow. I was shocked when I saw this.

[1:13:11 PM]

I was out of town that time. I didn't realize how bad it had gotten. Here is the waters park and adelphi, the water crossing, and that's the light rail train, by the way, the railroad crossing that would go there. So my big question, with this much additional impervious cover, how much farther will the flooding extend? This map may give a bit of an idea here of the current floodplains, those two red dots are where those last photos were taken. Notice the houses downstream, I believe that is walnut crossing. The dark blue is the 25-year floodplain, the lighter blue is the 100-year. It's awfully close. I hope seriously something like this does not end in additional buy-outs, like in onion creek. And also a lot of this tract is in the critical water quality zone. So there's a lot to be considered for that as well. One other quick -- the other one, if you could pull up, please? One other bit of information to be aware of, this area of land and one of our prior speakers did reference it, potential for carst in caves. We're in the balcones fault. Yeah, so if you can -- thank you there. Maybe caves, we discovered caves oppress ton oaks. Oh Preston oaks, that's why it's Preston oaks single-family not apartments there. Cave bring up a lot of new issues. Why do we think there's caves? Right here all these red arrows are from drillers' reports filed from tceq, all right around that area. Also, the Preston oaks cave is the gold star, the blue -- ganyme de, they were building a pool that fell through.

[1:15:18 PM]

It was amazing with all that. One more, if you could pull that up, just some details of the drilling reports, because here, this is what they're discovering. There's a lot of completely underground caves. They're not visible on the surface. We don't know about the actual land, if there are caves, that can increase the cost. Somehow caves and multi-story buildings just don't seem to go together very well. So again we would ask you to not approve their request. We need something that is a better fit for this area, not apartments. Thank you.

>> Mayor Adler: Thank you.

[Applause] That was our last speaker. We are back up now to the dais. This item has been moved and seconded. Mr. Zimmerman?

>> Zimmerman: Thank you, Mr. Mayor. I need to make one more correction to what we heard earlier from the housing director, and I have an overhead that we could put up on this. We just went to the web site for the Texas department of housing and community affairs, and they post a spreadsheet that gets updated on a daily or weekly basis, and according to the January 25, I believe it's January 25 was the

last spreadsheet we could find, and there are, in fact, four applications, not one, and it was stated earlier that there's only one application. So I guess we're confused by that because there are four on the record. So if I could get some clarification on that, that would help, as to why we weren't requested to approve four and only the one that's now being protested.

>> I don't believe I made the statement on the four. I believe somebody else did. We have brought before to you what has been asked of us to bring forward.

>> Zimmerman: So only -- so -- do you have the same information that there are four applications made to the tdhcia that are in the urban Austin area?

[1:17:23 PM]

>> I don't have that in front of me.

>> Zimmerman: Well, I do, and there's four of them there.

>> Mayor Adler: Hold on. Do you want to explain?

>> Zimmerman: Yeah, only one of them came before us.

>> Because other obligations drop out prosecute tw the pre-application and the full application process. Out of the four that were submitted, two of which were mine, worn one is listed asthe Bali you'll see on the list. We decided not to move forward with the abali.

>> Zimmerman: They're on the screen right now.

>> Great. The saltillo senior apartments, that is item no. 6 that was pulled --

>> That was withdrawn.

>> And then you might be able to speak on the first oaks, but that one has not seemed to move forward as well. That is also a supportive housing development. So the statement that wemade earlier was that we are the only option for a family development. The only two family applicants on that list are the abali and elysium park and we have puzzled the abali, we did not start work on that.

>> Zimmerman: So I may have misunderstood. Maybe you were talking family and that was the part -- so my mistake --

>> We did say family but to my knowledge the other two applicants potentially are not moving forward but those serve a different demographic.

>> Zimmerman: Thank you for that clarification.

>> Mayor Adler: Thank you. Thank you. Anything else on the dais? Yes, Ms. Troxclair.

>> Troxclair: I have a question for the developer. Do you -- does the developer -- if this is approved and you receive the 9% tax credits, do you know if the developer plans to seek an agreement with the school district for payment in lieu of taxes?

>> No, ma'am, we are a for-profit company, and we will pay property taxes. That is not part of our typical process, and it's nothing that we have ever done in the state of Texas.

>> Troxclair: Okay. Thanks.

>> Mayor Adler: Okay.

>> Mr. Mayor?

>> Mayor Adler: Yes, Ms. Kitchen?

>> Kitchen: I think I have a question of our staff. So I just want to -- I think we said this earlier, but what we're talking about today is about the approval -- or not approval, but our support for going forward for the low income tax credits, right?

[1:19:35 PM]

So that doesn't impact at all any final approval of a site plan?

>> That is correct.

>> Kitchen: So if I'm understanding correctly, I'm hearing the concerns of the neighbors, particularly with regard to transportation, but that would be an item that we could address if and when -- if and when this came forward to us as part of a development process. Is that right?

>> Mayor Adler: Shhhh.

>> Yes.

>> Kitchen: All right. So -- thank you.

>> Mayor Adler: Thank you. Was there a speaker request, Ms. Houston?

>> Houston: Thank you, and I just had a question about, has there ever been a time in your being here in the city where the city has approved this moving forward, but when it came back denied the project?

>> Yes.

>> Houston: Okay, so there's no expectation from the developer that if they receive the tax credits and they come back, that -- because I have a problem with the flooding, and so I would need something --

[applause] I would need something from water and wastewater to be sure that people were going to be safe on the property. So -- I just want to make sure that there was no assumption that if we pass it on this one, that it will get passed the next time they come --

>> You are correct.

>> Houston: Okay. Thanks.

>> Mayor Adler: Ms. Pool?

>> Pool: I just wanted to say, this is in district 7, and we are very, very carefully listening to the voices of the folks at north woods, and I know that they have a number of concerns related to the land use issues and the financial elements of the application, and I just want to make it clear that I am committed to working with the neighborhood and the stakeholders to address those concerns, and I agree with my colleague about concerns about flooding. Everyone on this dais has expressed concern about flooding throughout the city and working with our staff to ensure that the highest level of safety is achieved, but we are so not -- we are not at that place yet.

[1:21:47 PM]

So I just want to advise everyone that my office remains open to working with all parties should this be approved at the state level. We don't know if it will be. And what we are doing heretoday is simply giving our vote on whether we support this as a tax credit project, not individual elements that will be worked on should it happen to receive funding by the state. Thank you.

>> Mayor Adler: Okay. Mr. Sim man?

>> One more point of information. House district 50, state representative Cecilia Israel, right, is the step rep?

>> Sellia.

>> Sellia, sorry. Has she issued a letter, support, opposition, neutrality? Does anybody know that? Because that affects the scoring as well.

>> Pool: I can speak to that. I have been in conversation with state representative sellia Israel on this issue and we are committed to working with all the parties should it happen to moveforward at the state level. And we're currently working with everybody right now.

>> Mayor Adler: Thank you. Mr. Zimmerman?
>> Zimmerman: So the question is we don't know if there's any letter written yet? Is that what I'm hearing? There's no letter written yet? The deadline for applications is March 1, is that correct?
>> That is correct.
>> Zimmerman: Is that always the dlierch for -- also the deadline for letters of opposition?
>> I'm looking to the developer.
>> Zimmerman: Sounds rights.
>> Mayor Adler: Any further discussion before we vote on this item no. 5? Ms. Garza?
>> Garza: I have a -- I think this might be a zoning or land use person question, because I -- I understand the concerns about traffic. I think what gets lost in these conversations a lot is what could be put there without any zoning change at all? And my understanding the way it's zoned right now is industrial, which without any approval -- needed approval before this council could be, let's see -- there could be day care, there could be --

[1:24:05 PM]

>> (Indiscernible).
>> Has a conditional overlay on it (indiscernible).
>> Garza: There would be some type of development that could be there.
>> (Indiscernible) Square footage (indiscernible).
>> Garza: That's fine. That's fine.
>> Mayor Adler: But in any event I'm going to vote for this because the issues that have been raised, which I think are important issues to be addressed, get addressed at our processes at the next stage of the process and not here. So the questions are traffic and water and those things are addressed with respect to the land use elements, and we would have staff here to be able to talk about those and neighbors to be able to talk about those as well. So I'm going to be voting for this with the expectation that if this happens, we come back for those kinds of conversations. Any further discussion? Ms. Kitchen?
>> Gallo: I would also say that I will be --
>> Kitchen: I would say I will be voting for it for the same reasons but I would note that the traffic problems the neighbors bring to our attention exist now, and so if they have not had an opportunity to do that already, I'd say be happy to work with council member pool and with our transportation department to see what could be done, if anything, about the circumstances that they brought to our attention.
>> Pool: I very much appreciate that. And looking at some of those slides.
[Applause]
-- We may need to also talk with the department of transportation, depending on who owns the roads, but looks like signalization at the very least, and probably some traffic combing would be really helpful throughout. And maybe some restriping of the streets with the lanes and everything. But I do appreciate that, and I thank everyone from the neighborhood for coming down today. I know it's -- it really is a stress to take time away from your Normal activities, and all of us here thank you for coming down and talking with us about it. This is -- this is how we make for better projects is by having everybody's voice heard.
>> Mayor Adler: Mr. Casar? Did you raise your hand?

[1:26:06 PM]

No. Mr. Zimmerman?

>> Zimmerman: Thank you, Mr. Mayor. I would like to speak against the resolution of support. I've got a sense that the neighbors are energized on this and they're getting educated on what to do. This will probably go forward, but I want to ask my colleagues to vote against it because if we voted against it here.

[Applause]

-- Then it would -- it would save a lot of trouble and if this goes forward, the neighbors are going to have to show up at zoning meetings, it's going to drag and prolong the event. If they're able to convince their state rep to write a letter in opposition, that would also kill the project, but I've got a feeling that the opposition is rational and it's pretty strong. I think this -- I don't think this project is going to go through, and it would be better for our constituents to go ahead and end it now. So that's why I'm going to be voting in opposition.

>> Mayor Adler: Okay. Any further discussion on item 5? Let's take a vote. Those in favor of item 5, could you raise your hands? Those opposed? Zimmerman troxclair voting no, the rest of the panel voting aye. This item passes. It is now 1:30. Do we want to come back at 2:30, break for lunch and go into executive session? Do we want to break and come back at 3:00? We have executive session. We have several items that are set on executive session. We break for lunch and go back into the other room with an expectation we'll be back out at 2:30 on the dais or back at 3:00 on the dais.

>> Tovo: Mayor, I'm confused, are you operating we'll eat while having our executive session and maybe tack on a short break before we come back?

>> Mayor Adler: Yes. So let's do that. We'll go into executive session now. We'll come back here at 3:00.

>> That might depend on how long executive session takes.

>> Zimmerman: It's an estimate, right?

>> Mayor Adler: That's our estimate.

>> Yeah, just to tell people.

>> Mayor Adler: We'll go into closed session and take up three items, and we could extend that if we want to.

[1:28:07 PM]

Item no. 4, pursuant to section 551.071 of government code, the city council will discuss the following items, item no. 4 is the contract with attorneys on the Austin energy item. Item 54 is the transportation network companies issues. Item no. 56 is the pilot knob zoning ordinance issues. 53 and 55 have been withdrawn. If there's no objection we will now break to go into executive session. We'll come back out. Thank you.

[3:21:56 PM]

[Recess]

[4:07:07 PM]

[♪ Music playing ♪]

>> Tovo: Good afternoon we are out of closed session.

[Music playing]

[Music playing] To identify projects for potential funding and to identify recommended functioning options. This is the next step. At our last mobility committee meeting, which everyone on the council joined that meeting, we talked about beginning a process of identifying -- identified a process of next steps to take action. I mean, we all feel like -- and we all know that we've got huge challenges around transportation, and so we need to take the next step. And so we want that to be a public conversation where we talk about what are those next projects that we need to address, that we need to take on, those next transportation projects, and what are our options for funding. So what this resolution does is it lays out a process and asks the city manager to include as part of the public conversation an input process, a whole range of commissions and councils as each of us in our districts, and to endeavor to go through that process in a way that we can bring back information for our June public hearing in front of the council mobility committee.

[4:09:13 PM]

>> Tovo: Very good. Thank you, council member kitchen. Our first speaker on this item will of jd gins followed by mayorio champion, and you'll each have three minutes.

>> Mayor pro tem and council, I'm jd gins and I'm a commissioner from the urban transportation board, resident of district 1. The utc has engaged in this conversation about potentially bringing forward more mobility options for this 2016 election cycle. You know, right now I know we all have the tnc stuff on our mind, but this storm will pass and we will move on, but very likely we'll still have terrible traffic problems and need other alternatives, and so I'm hoping that we can consider all of them. 2016 is the year of mobility, and we need to have a full conversation about all the options from sidewalks to bikes to trains, and things that we can do with the freeways. I've heard a lot of questions about whether the idea of a train or masstransit project could have support given the last plan failed, but I'd like to point out that just because an item has failed before doesn't mean it's not a good idea and won't have its time. You all are a perfect example of that as the first council in a single-member district. It took 7 votes to get that so if it takes us a few more cracks to get us a mass transit plan that works for the entire city I think it's worth doing. In my limited time on the urban transportation commission we've heard from a lot of different department heads and from a lot of different agencies, and I don't think agencies aren't ready to go. I think they're just looking for leadership. They don't want to step on people's toes and they need to be told it's time to start planning and time to move forward. I've heard a variety of ideas, from big options that go all the way out to manor and Elgin joog using the green line but we need to have a conversation so I appreciate you're willing to consider it.

[4:11:17 PM]

Utc voted on this once. We had technical errors and did it again and we had a majority support, 7-2 for that vote. I've heard from a lot of people in the community they want rapid transportation options. Whether it's trains or buses, they want something on the table. The thing that was the strain jet sticking point for us. Help with intense corridors and diverse communities. We want to make sure people who need transit options are not neglected because they don't live in dense neighborhoods but we want

an operating system that takes care of as many people as possible. So I really appreciate you all taking up this conversation. It's 2016. We want to have the year of mobility. I don't know how we can have that conversation about the year of mobility without a conversation about mass transit being part of that package. So thank you four time -- for your time.

>> Tovo: Thank you. Mr. Champion?

>> Mayor pro tem and council. I'm Mario champion, I'm also a commissioner on urban transportation commission. I want to extend a little bit on some of the comments that commissioner gins made. In. We have heard from various heads and CEOs of the various three-letter and five letter. There's a willingness. There's a little hesitancy -- I don't want to speak for them but there's a little hesitancy to step on political toes. So planners plan but exec Yu terse are required to execute. I would like to you as the executors of the city to lead that conversation forward, with informal and informal conversations, folks who want to do brt, do dedicated -- as a precursor of light rail. They understand there have been 11 studies in the last several years and had project connect prop 1 passed we would be building off those studies now. So I would encourage very specifically that the 30-month study that cap metro has just engaged in be considered a way to extend some of the decisions that can be made given the assistant city manager's presentation about how to get something on the ballot in November.

[4:13:19 PM]

So we could use the data that exists to get something on the ballot in November, use the data that comes in from the new 30-month study to extend that. Whatever the route might be, whether it's brt or bus or et cetera, et cetera, is up for you to decide. I want to close by saying I really do think it may sound like a little bit of a platitude, but planners are going to plan, but executives need to execute, and the leadership will come, I think only from you on the dais right now. Thanks.

>> Tovo: Thanks very much, Mr. Champion. Next up is Jeb boit and I will be followed by Dave Dobbs. After Mr. Dobbs is roger baker. So Mr. Boyt, Mr. Dobbs, Mr. Baker.

>> Good afternoon council, my name is Jeb Boyt, and thanks for this opportunity to speak on this. One of the key things and the key needs the city has right now is funding for our bikes and sidewalks. We have a sidewalk plan. We have a bicycle master plan, we have an urban trail master plan. We have no money right now to implement these plans. This is a key need for the November election is to provide the funding to go forward with these plans. I think the process you've outlined of working through the existing boards and commissions to get public input, particularly if we're looking at projects that have already been identified through our planning processes, to get support for these projects, and evaluate them prior to a June decision by you, is a good process, and I encourage you to go forward with that. And the last thing is at the mobility meeting last week I heard an interesting thing from txdot. They said that we're two years away from making a decision about whether we're going to depress I-35 or rebuild it as it stands now, if we're going to depress I-35 and actually implement the reconnect Austin vision, so many in the community want to see, the council needs to get involved in that conversation, and the way to get involved in that conversation is by putting bonds forward now that will help implement and build toward the reconnect Austin vision as part of this election this year.

[4:15:27 PM]

Thank you.

[Applause]

>> Tovo: Thank you, Mr. Boyt. Dave Dobbs. Welcome.

>> Thank you, councilwoman kitchen. I have a vision of what we should be doing in 2016 on the November ballot. I think that light rail is the thing that we ought to look at. When you look at Austin, it's a city sandwiched between two full freeways, has a 2 to 3-mile way, 6 to 7-mile long corridor. When you look at why I-35 can't be fixed tty, you can read the things they said in the key findings of that report. So what do you do? Solution, make congestion an asset. Recycle our notes from traffic stets to people. Light rail keys are north Lamar, Guadalupe, southcongress, south Lamar, Riverside and so on. In other words, we have to make our streets work for us. Build light rail reliever to I-35. You'll get 100,000 riders a day. There's a huge return on investment. The objective here would be to convert the old loop 275 to north Lamar and Guadalupe through the city, out to congress, from Parmer to slaughter. Then you can see the kinds of things we do, we tie the line village together, you begin here in the middle, 40,000 riders a day on 6, 7 miles of light rail in the center of the city. There's some of the reasons. It's a basic line. It connects all of the big dots from the state offices up by the triangle all the way down to the center of the city, the cbd, university and so forth. Huge return on investment, billions in economic development. If you want to ask me questions I can give you an example. We get the tax base to pay for affordable house services, parks and libraries, connects and moves the city. And let's keep Austin Austin and imagine Austin too.

[4:17:32 PM]

Light rail now. If you have any questions I'll be happy to answer them.

>> Tovo: Thank you, Mr. Dobbs. Mr. Baker, you're up next, and you will be followed by Hayden walker, and Ms. Walker you have some time donated to you if those individuals are here.

>> Okay. We'd just like to start out by saying that this is an awfully broad proposal to do something about transportation fast, and I think it's motivated by the serious congestion problemsthat we have. However, the truth is that Austin's traffic congestion is a natural result of fast regional growth combined with unregulated suburban sprawl over many years, and there's no magic bullet or quick fix. The best approach is probably a different kind of planning. Essentially smart growth planning, which Texas law doesn't encourage outside our city limits. Our new regional txdot director, terry Mccoy, has said we need to do, quote, everything and the kitchen sink, unquote, as our policy for dealing with I-35. In fact, the truth is that trying to reduce congestion by widening ih-35 is hopeless, and the Texas transportation institute has told us that. And why? There is so much latent capacity demand in our urban core that any feasibleincrease in capacity on I-35 would be filled up very fast so we get essentially no benefit from trying to fix I-35. Txdot foresees a huge deficit in trying to fix I-35 using its kitchen sinkapproach, over a billion-dollar funding gap that will presumably have to come out of our local property taxes.

[4:19:35 PM]

Well, it so happens that we're a billion dollars behind on sidewalks. If we're really

anxious to spend some money, let's do it on sidewalks or at least get some results instead of putting it into a black hole like trying to fix I-35, which the experts say won't work. So the only game-changer that I can see that would make a real difference that would justify a November bond election is probably a new rail start between -- you know, along the lamar/guadalupe corridor, but until we see someone championing that I'm very dubious. I think we need to wait and see what the cost-effective approach is to do with our transportation money are, and maybe the process that you're trying to set up will do that, but I would be strongly opposed to trying to do anything real fast, just because traffic congestion is so bad because we can't fix it. Happy to answer any questions.

>> Tovo: Thank you, Mr. Baker. Ms. Walker, you are next. Is Loren crestwell here? How about Girard Kenny?

>> He's not.

>> So you have a total of six minutes.

>> Thank you, mayor pro tem. Good afternoon, council members. I'm Hayden black walker. I'm a representative of reconnect Austin, which is the proposal to cut and cap I-35 through downtown Austin. Yesterday we sent a letter with 13 members of the community that signed representing different organizations, encouraging you on -- to take a look at things Austin needs. As Mr. Boyt pointed out, that includes sidewalks, urban trails, and bicycle lanes as well as a better I-35. So I won't read them all because I know you got the letter, but just to recap, the people who signed the letter asking that the city ensure that I-35 is depressed through downtown Austin, reconnect all east-west connections across the highway where it's now divided, designate all the frontage roads intersections and future bridges as complete streets so they are safe and they work within the city, find a city led independent analysis of the upper decks because right now there's not a very good solution for the upper decks, and fully fund the 2014 bicycle master plan, which includes urban trails as well as the highest priority sidewalks in the city.

[4:22:10 PM]

So I wanted to speak for just a second about the extensive public engagement processes that have gone on with those plans because I think it may look like they've come out of nowhere. From my personal experience, the sidewalk -- I mean, sorry, the bicycle master plan includes the urban trail plan, so the idea was that they would be done together to create a network. I served on the citizens advisory group for that, and I know that there was an extensive public engagement process around that plan. I'm also an elected member of the city's pedestrian advisory council, and we've worked extensively with the public works staff looking at the existing sidewalk master plan, the matrix that was developed by citizens of Austin to prioritize sidewalks, and the update to that plan. And then in terms of I-35 you heard txdot talk about that they had had 300 meetings up to this point. You also heard txdot talk about initiating the environmental process. I wanted to be sure you understand that there is a memorandum of understanding between the federal highway department and txdot, and it basically cedes all environmental review are to txdot. So when they create a plan they're environmental and they're going to be approving environmental. So I think it's important we keep that on our radar. The federal highway administration no longer really has any authority over that. In 2013 senator Watson was the honorary chair of the I-35 downtown stakeholder working group, which was formed, and I wanted to speak about that for a second because I think this may have been lost in

the process. There were 34 representatives from neighborhood groups and community groups. Those include east Casar Chavez neighborhood association, the city council of automatic, houston-tillotson college, university of Texas, the black chamber of commerce, the waller creek conservancy and many more.

[4:24:15 PM]

So there was a really good group of people that met for over a year and created this report, and I wanted to be sure that you know that there's a resolution in the beginning of that report from that stakeholder working group process, and it says, be it further resolved that the I-35 downtown stakeholder working group supports depressing the I-35 main lanes below ground and constructing the main lanes so that caps may cover the depressed freeway as part of the initial construction or possible add it at or possibly add it at a later date. I wanted you to be sure you -- I wanted to be sure you knew a process had occurred on I-35. Thank you.

>> Tovo: Thank you very much, Ms. Black walker. Mr. King, you're up next, and you'll be followed by Brendan woodstock.

>> Thank you, mayor pro tem, council members. My name is David king. I live in the zilker neighborhood and I think it's really time that we focus on bus routes, bike lanes, sidewalks and trails and put some money behind those needs in our community. That really will help everyone in our community, all of our neighborhoods, all of our districts. So I think that should be one of the priorities of any bonds that we might in addition for mobility. And look at minor improvements on major roads that I-35, mopac, 183, 290, 271. That that help improve the traffic flow but I'm concerned about building more and more and more lanes and that's not going to solve our problems. And then get started on some light rail. We really need to get some -- initiate that and get at least a segment of that under way. And, you know, I kind of like the quarter cent process we discussed that we have a little bit of money that each district can go in and use and target some of the smaller projects that can really make a big difference. So I hope we can incorporate some kind of a process like that so that we can tackle some smaller very important projects and that they're not all big -- big projects that take years to get completed.

[4:26:24 PM]

And then the process that we go through for the stakeholder group, I really truly hope that it is as transparent and open and inclusive as we can. I know that's something that's important to this council, and I know it's still a work in progress, but I think this is really important, that neighborhoods, they've already expressed -- have expressed concerns about the bicycle master plan, that maybe it didn't reflect some of their concerns. And so I think if we're -- once we get the bonds in place that we really do need for look at those plans and update them where necessary, make sure that neighborhoods are part of that process, that decision process and where we're going to implement these new mobility strategies. Thank you very much.

>> Tovo: Thank you, Mr. King. Mr. Witstob, followed by Miller nutle.

>> Thank you. My name is Brendan witstock, I'm the current chair of the north central 35 neighborhood coalition. We consist of 11 neighborhood associations in -- it's blackland, cherrywood, delwood, Hancock, holy cross, Mueller, Miller -- Mueller Miller count as one, will on brook, Wilshire, and (indiscernible) Park. Having gotten through that I want to reiterate that last December

we passed a resolution that I'm hoping for your support as part of any 2016 mobility bond in support of a long-range vision for I-35 without the upper decks. I want to echo Hayden to say that the reason I'm coming and bringing this up again is these ideas did not just come out of nowhere. These are not fresh. These are vetted. We voted to support this resolution with the support of seven neighborhood associations. I've done enough with neighborhoods and I don't need to tell you all that getting 7 neighborhood associations to agree on one thing is a herculean effort. We don't necessarily agree, all of us, on the future of I-35, but we agree on one thing: That I-35 is a bad neighbor. And we are asking for the city to lead this discussion.

[4:28:25 PM]

Txdot did not include east-west connectivity as one of the purviews of its project until city stakeholders demanded that. City stakeholders took super streets as a proposal off the table. It is the downtown -- the downtown depressed cut and cap proposal came from vision and stakeholders of the city. Txdot's purview here is very limited and we believe that this is an opportunity for the city to get ahead of that leadership and really carve this highway out in our image. In sync supports city leadership on ih-35 and we offer this study to be part of a 2016 mobility and access bond, and I just want to close by saying that again, this is -- this is not -- this is not an unvetted process. I'm coming to you with the express support of seven neighborhood associations through north central and on behalf of the north central I-35 neighborhood coalition too. Thank you very much.

>> Tovo: Thank you, Mr. Witstock.

>> Mayor pro tem, members of council, thank you so much for having me today. I hope to thank you for getting this process started formally. Obviously, austinites are feeling the pressure of traffic now and I think we have the opportunity to do something big and bold and ambitious to address our safety address as well as mobility challenge. I wanted to thank you for strengthening the language in this resolution to include an explicitly multimodal folks. I think time and time again we've seen the choices are what actually reduce congestion by giving people options, we can encourage healthy transportation and actually start moving people around our city. I also wanted to thank you for broadening the scope of the public outreach process. I think it's really important to include more boards and commissions, especially the bicycle advisory council, pedestrian advisory council, vision zero task force, those are all really important stakeholders. And as a member of the bicycle advisory council and task force, I will do everything in my power to encourage public input but do it in a way that's timely so we can get the safety improvements on the ground as soon as possible.

[4:30:31 PM]

Thank you so much.

>> Tovo: Lisa Harris. Is Lisa Harris here? She signed up in favor. I apologize, she did not wish to speak. And we also is there one other speaker signed up in favor, George Cofer, but he also did not wish to speak. Council, is there a motion on this item?

>> Kitchen: I think I moved it when I laid it out. Or maybe not. I make a motion that we accept this item.

>> Pool: I second.

>> Tovo: And councilmember pool seconds this item. Would you like to speak to your motion or did you cover it?

>> Kitchen: I think I covered it before. I think, as we've said before, there's a lot of -- we have very serious traffic and transportation challenges, and this will allow us to take some action steps to move forward.

>> Tovo: Thank you. Councilmember Zimmerman has an amendment to propose that he's going to post on the screen, and, council, I did just hand down a proposed amendment as well. But I'm going to recognize councilmember Zimmerman first, assuming he gets back up to the dais.

>> Zimmerman: Thank you, mayor pro tem. I think it's pretty straightforward, on the third whereas, as you can see on the overhead, I just propose striking the words "No single fix will address our mobility challenges," and strike "Transit pedestrian bicycle infrastructure," so this whereas really addresses options to have a better connected system of roads, so if there's a second, I'll go into that.

>> Tovo: Councilmember Zimmerman moves the amendment that's posted on the screen, which would zap out no single fix, et cetera, and also the transit pedestrian bicycle infrastructure. Is there a second to that.

>> Houston: I'll second that.

>> Tovo: Councilmember Houston seconds that for discussion.

>> I'd like to speak in favor.

[4:32:31 PM]

I'm sorry, go ahead.

>> No, go ahead.

>> Tovo: Speak to your mathematic, then we'll hear other discussion.

>> Zimmerman: Okay. Thank you. So we've had quite a few bond packages in the past. I think we had a discussion some time back, and I was critical, I think it was the 2010 bond, I think it was \$90 million, and when the information went out to voters, it had pictures of cars stuck in traffic, and it was a congestion information piece. And then it turned out that -- you know, people would look at that and think, oh, they're going to do something about mobility and getting our congestion problem solved. Well, then it turned out the biggest spending item of that \$90 million was the concrete boardwalk out in the lake. This has been a big problem in the city, that voters get misled on bonds. You know, we know we have a traffic congestion problem, and so then we come out, we talk about mobility, and then we spend the majority of the money on a concrete sidewalk in the lake. We've got a big problem here with credibility, with our voters. And we have not focused on our road infrastructure. We're still the only major city without a highway loop. Think about that. Most cities are now on their second and third loop, so that all the traffic doesn't have to go through the middle of the city like you have with I-35. I-35 is congested. There's the toll road right now, but you have to pay a toll. So I'd like us to focus. We have not focused in, I don't know, 20, 30, 40 years, according to a lot of my district 6 constituents. Some of them have told me about how the city of Austin refused txdot money 20, 30 years ago, they refused money. So that's why we're so far behind. And that's why I propose this amendment, to get us refocused, at least for one bond issue, on fixing our highway system.

>> Tovo: All right. Thank you councilmember Zimmerman. Councilmember Casar, then councilmember kitchen.

[4:34:32 PM]

>> Casar: Can I actually ask a quick question of our transportation staff on that point? Hi, Mr. Spillar.

>> Hi.

>> Casar: So my colleague was mentioning the last set of bond packages, and I've got information that more or less of the last five bond packages since about 1998, we've put out about \$500 million worth of bonding capacity. Does that sound right, about half a billion dollars?

>> Yes. I don't know the exact number.

>> Casar: How much of that, do you know, has been spent on transit, we're not talking about a road your honor a bus, but on buses or bus stops or rail?

>> Typically, not very much. And let me qualify that. Most of the transit infrastructure in this region has been built by capital metro. We have coordinated on the Guadalupe and lavaca corridors. We certainly made some improvements that had been compatible with transit, but I don't know that we as a city have invested directly in transit facilities. The last bond proposal was somewhat unique. In fact, in the state of Texas, my understanding is no one had thought that the city could help fund transit. Our reasonable was that we had a unique problem and needed to fund transit that way, and in fact had the authority to do it.

>> Casar: And so of that half billion dollars, it primarily has been sidewalks, bike lanes, roads, but not -- not specifically transit support? Not specifically transit dollars.

>> Yes.

>> Casar: And I think that it's an important point that I think as Mr. Baker noted so clearly, if we keep on imagining a future of only widening and lengthening streets and only cars, then that's the future that we get.

[4:36:33 PM]

And so I'll encourage through this public process that we keep thinking, as you said, Mr. Spillar, in a creative way about how the city can support transit, and I think that absolutely has to be on the table as we discuss it. I think you'll find support on the dais, and I'm, you know, ready to -- whatever the community is ready to rally around and support, by that rail on our highest density corridors, which I understand to be guadalupe-lamar, or dedicated bus lanes or smarter signals or ways for our buses to actually get the lights going green and not getting stuck in the same traffic as everybody else, I think we need to be -- the voters need transit and they need the option to be able to vote for that transit. And so I appreciate the utc members and others coming and talking to us about that, and I hope that's part of this discussion, and I'm ready to support, if we go to a November vote, making sure that the voters -- advocating so the voters have an option to select a transit investment over just continuing to think only about roads. So obviously I'll be abstaining on it.

>> Kitchen: Me. And your point was -- I'm also speaking against the amendment, and the reason for that is, first off, I would be the first to say, councilmember Zimmerman, that a well connected system of roads is important, but I think that I would not want to preclude or prescribe the discussion amongst the community to limit it only to roads. And I want to just point out again that the purpose of this -- that we're kicking off is a public conversation to talk about the whole range of transportation projects, I do believe that a city -- our city requires options for people and that's multimodal options. So I don't -- I think for us to prescribe that we're only going to talk

about one option is not appropriate.

[4:38:37 PM]

The other thing that I would say is that we are not talking about only bonds. This is to kick off a process of identifying transportation projects and identifying a whole range of options for how we might fund them. So I think the most important thing right now is to have an open public conversation where the public can talk to us about what they want and not to prescribe the limits around that conversation at this point in time. So I would be opposed to that amendment.

>> Tovo: Okay. Any other comments? Then let's vote on the amendment. All in favor of councilmember Zimmerman's amendment please raise your hand. Councilmember troxclair and councilmember Zimmerman vote in favor. All against? And that's the remainder of the council, with the mayor off the dais. Council, I distributed a copy of some amendments. These were suggested to us by a community member who's been very involved in these efforts over the years. That's Scott Morris. The first -- the first item would add a whereas just to talk about the previous public input. So I'm in the awkward position of needing to get one of these -- yeah, I'd love to -- thanks. Councilmember Zimmerman is going to help us by putting it up on the screen. I appreciate it. The second amendment would simply add zoning and platting as one of the commissions that would be part of this. And then the third would really just lay out the various public -- some of the various public input processes that have happened in the previous years. I think this was certainly the intent of the mobility committee to rely on all of those -- that previous input, but just calling it out seems to me to be a useful addition. Councilmember kitchen.

>> Kitchen: Yes. I would support this amendment. I read this amendment as not limiting the conversation, but actually pointing out what at least was my intent, was that we, as part of our conversation, that we identify earlier public input processes, just for example on the bicycle master plan, the sidewalk master plan, things like that, the corridor studies, not by way of limiting what we can talk about, but by way of giving some examples of what we can talk about.

[4:41:06 PM]

>> Tovo: Yeah. That was exactly my intent in proposing it, just to call people's attention to some of those efforts, but by no means saying that's the only place to look for input. Thank you for that clarification. Councilmember Houston.

>> Houston: Thank you. I just want to remind my colleagues that all of those prior input sessions were pretty inclusive and did not include the breadth of community people that we had. So that's pretty narrowly focused, based on groups of people who are advocating for certain I understand could of -- kinds of issues. I'm hoping this would be able to broaden that conversation and bring in people -- if you look at what we've been shown, we don't go past 183, and so to me that says that was very narrowly focused, north-south kinds of orientations and very -- to airport boulevard maybe, not even that in some situations. So I'm hoping that although we used some of that input, we have to remember that that public input did not include a lot of the people who live in the city.

>> Tovo: You raise a good point, councilmember Houston. Is there any language within any of these amendments that gives you pause? You know, one word that I would, in looking at it, strike out, so when -- I'll make this as a motion and I'm going to

strike out in that first amendment already, previous input processes have been conducted. I'm going to scratch out already, so that it doesn't give the impression that that's all worry looking at. But I'm open to any other changes, if you think that what I've laid out here suggest that these are the only places we want to look because I agree with the point you're raising.

>> Houston: I think in the third addition where you talk about be it resolved, if you put in district representation of something, then that kind of sets the tone for where the rest of it -- because when we get to two, we've got some very specific groups that are advocating for very specific issues, but we don't have any public people, regular citizens who are participating.

[4:43:09 PM]

And, yes, some folks live in district 1, and I know they're horrified by this, but thereof a lot of people who are not -- who have some issues with some of the things that we're suggesting, that have never been asked what their issues are. And so if we said including district representation, that we -- then we would be responsible for getting other people at the table to have the conversation.

>> Mayor pro tem, do you need a second?

>> Tovo: Well, let me make it as a formal motion, with the exception of the word already in one, and then councilmember pool, if you would second it.

>> Pool: Yes.

>> Tovo: Then I'll ask councilmember Houston to clarify where that addition was because I'm not clear on that, the language including district representation, was that in the original resolution, or was that in any of these amendments?

>> Houston: It's not in anything.

>> Tovo: No, I'm sorry, but did you intend for that to get in the original resolution or --

>> Houston: I want it to be in the original resolution, right.

>> Tovo: Okay. Super. Thanks. Councilmember kitchen.

>> Kitchen: I have a suggestion. If I'm hearing you correctly, under your number two, just say the city manager is directed to include as part of the public conversation and input process, input from citizens representing all districts, or something like that, and then going on to say input from citizens representing all districts in the city, as well as input from the planning commission, et cetera, et cetera. Would that -- does that state it strongly enough?

>> Houston: I think so. I was trying to get it into the first whereas.

>> Kitchen: Oh, okay. All right.

>> Houston: At the beginning, then we capture that all the way through the amendments. But I'm still working on that.

>> Kitchen: Okay.

>> Tovo: Why don't we handle that as a separate amendment, if that's all right. I think that that may be easier. Okay. Are there other comments on this -- councilmember Gallo, I'm sorry, then councilmember Garza.

>> Gallo: I just want to piggyback on this conversation.

[4:45:10 PM]

I was looking at the original, and I don't know if this gets to what councilmember -- I know you said it's going to be separate but maybe it's in here already, the original

resolution does say, in the bottom, included in the itemization of where public input will be, it says collaboration with councilmembers in their districts. I don't know if that gets to the same idea.

>> Houston: It does. I was just trying to get it embedded in more than one place. Because we've got advocacy groups in several whereases, so I just wanted to make sure the district representation was in more than one place.

>> Tovo: Councilmember Gallo.

>> Gallo: So I have a comment kind of on that conversation, and then just a clarification comment on your amendment. One of the things I think would be important to add, as we list all of the different groups, would be neighborhood associations that represent all of the geographic areas of Austin because I think what our concern is with conversations that have been held in the past, is that perhaps only certain areas of Austin have been represented, so I think now that we have broadened the scope and voices out there, making sure neighborhood associations feel very included in this, and it's neighborhood associations from all of the areas of Austin, so I would love to see that added. And we can do that as part of this amendment, just to put that out. I've got a question because in one, it talks about the identify needs and prioritize projects for November 2016 bond election. Do we really want to make this specific, or just limit it to 2016? Because as we heard from transportation department, there's going to be a very limited number of projects that we could even consider on the fast track. And if we are having a public process that is broad and brings in all the community input, then we should also be looking at the potential of future bond elections. And so I really -- I kind of hate to limit it to -- I hate to give the impression that we're limiting it to only things that we would consider this year because I think we may see a lot of -- listening to a lot of the comments, there are a lot of projects out there that would not qualify from a timewise for 2016 but we certainly want to begin the conversation on.

[4:47:22 PM]

So that's just a clarification question about the 2016.

>> Tovo: I think you raise an excellent point, and I would certainly be willing to change

that language to: For a future bond election, or just end it at "Projects," which --

>> Gallo: I think either.

>> Kitchen: I'd suggest ending it at projects because again I want to emphasize that bonds are the things that we are most familiar with, but there may be other funding options. So I would just stop it at projects.

>> Tovo: So I'm going to accept that as a friendly amendment to my amendment. Thank you for those comments. And so that first addition would be -- that first amendment, proposed amendment would be: Whereas -- it would be what's on the screen, with the elimination of the word "Already" and elimination of the words "For a November 2016 bond election." Any other comments these amendments? Councilmember Kitchen?

>> Kitchen: Were you -- the neighborhood group suggestion was going to come -- okay. Got you.

>> Tovo: I think that's best handled separately. Any other comments on these amendments? Councilmember Renteria.

>> Renteria: I just wanted to -- does this include also the transportation department -- they have a lot of I went and visited their cameras, and they have a lot of new

electronics that can actually work -- you know, making the lights stay longer if they need to to get the traffic jam moving, so I was wondering if -- is that also going to instruct the transportation department to submit their needs to update all the new electronics that are coming on the market that they have been using, but they don't have enough funding to implement it citywide?

>> Tovo: Councilmember, I think you raise a good question about the general resolution, rather than specifically about this amendment. Do you mean if we wait a minute and take that up after we vote on this?

>> Renteria: Not at all.

>> Tovo: Okay. Any other comments about that amendment? All in favor?

[4:49:24 PM]

Any opposed?

>> Zimmerman: Abstention.

>> Tovo: And one abstention. So all are in favor on the dais with one abstention, and that's councilmember Zimmerman, and mayor Adler is off the dais. Okay. If it's all right let's get to the question councilmember Renteria raised about the transportation, as I understood it, whether the transportation staff will be offering input about their needs. Councilmember Kitchen.

>> Kitchen: My understanding is this will actually be -- and we can ask the staff to come up here. It's written as the city manager shall direct, but -- and I don't know if Mr. Goode wants to speak to this, but that means the transportation department, as well as public works -- do you want to speak to that?

>> Certainly. We identify project needs, means that we will use all staff to do that, so certainly it will include those needs.

>> Tovo: Thank you, assist city manager. So now, Mr. Spillar, did you want to add to that?

>> I was just going to add, yes, the management systems that councilmember Renteria talks about is part of the overall transportation system, the roadways, the transit, everything, so I would assume that it's part of that directive.

>> Tovo: Thank you, Mr. Spillar. So councilmember Houston, are you ready to make your amendment?

>> Houston: I think so.

>> Tovo: All right.

>> Houston: We're going to -- why are we going to do that? Well, we're not -- on your amendment two, we're going to add it to that.

>> Tovo: Okay. So my amendment two was actually part of the original resolution, and it was in the first be it further resolved, the city manager is directed to include, et cetera, et cetera, so you would like to add your language to that be it further resolved?

>> Houston: Right. That the city manager is directed to include as part of the public conversation, any input process, citizens from each geographical district and neighborhood associations who represent neighborhood associations throughout Austin.

[4:51:25 PM]

>> Tovo: Okay. So that also incorporates councilmember Gallo, your point. So does everyone see where that would go under -- sorry, the second be it further resolved.

>> Houston: Right.

>> Tovo: It would say the city manager is directed to include as part of the public conversation input process, citizens from each geographical district and neighborhood associations throughout the city? And councilmember Houston makes that amendment. Councilmember Gallo seconds it. Other discussion? Assistant city manager Goode.

>> I just want to add some realism to this. We're coming back in June, so if you want us to talk to every neighborhood association, that's a real challenge. So when we -- the original resolutions had us working with each then councilmember in their district to help us reach the communities you want us to reach, and so adding this, as long as you all are comfortable that we can't get to every neighborhood -- we don't have enough staff to do that and come back to you all in June.

>> Houston: It's not every neighborhood association.

>> I just wanted it clarified.

>> Houston: Just neighborhood associations throughout the city, working with members of the council in those districts. And we can help you get those people. Is that what you intended? Okay.

>> Tovo: Other comments? We are voting on councilmember Houston and Gallo's amendment to add the language about citizens from each geographical district and neighborhood associations into the be it -- into the second resolved statement. All right. All in favor? Councilmember Garza.

>> Garza: At mobility, I guess I'm concerned about the comment that our assistant city manager made because at mobility, there were kind of some timelines given, and this one puts us under the timeline of one of the most quick timelines, and so I guess I'd ask the assistant city manager, not knowing exactly how many neighborhood districts - - do you think we could stay within the timeline proposed?

[4:53:36 PM]

But I guess it's hard for you to answer not knowing exactly how many neighborhood associations are being --

>> Tovo: Councilmember Kitchen, did you want to jump in here?

>> Kitchen: Yeah. I just wanted to say that I think the intention is to make sure we have representation from all across the city. We can't expect the staff to do this without our help. But I think we're all interested, very, very interested, and we know our districts, and we know the folks in our district, so I feel pretty confident that -- and I'm wanting to put forward the effort to help our staff make sure that they reach folks at our district, so -- so that's what I would say, councilmember Garza, if that -- you know, that would just be my thought on it.

>> Houston: And again, mayor pro tem, if I may, when you look at the people that we have identified, they don't represent everybody. And so it's important that you get different voices into the conversation because it's the same voices that we always hear on transportation issues, and so they're people outside of that narrow focus who have some input into how transit and mobility should be operating, and they're never asked and they're never here.

>> Tovo: Thank you, councilmember Houston. I just want to say as I read that sentence now, the city manager is directed to include some public hearings at specific places, but the line about including representation and input from neighborhood associations is more general. That's my expectation, that it would -- that we're going to help get that word out and we're going to be open and use as many processes as possible to try to get the word out to every district and all of

the neighborhood associations, but we certainly don't expect public hearings in all of those places by staff. And I think in the structure of the sentence, that's clear. So ... All right. Other comments? All in favor?

[4:55:38 PM]

Any opposed?

>> Zimmerman: Abstention.

>> Tovo: One abstention. Everyone else votes in favor, mayor Adler off the dais. Are there any other amendments? All right. We're ready to vote on the first -- on the main motion. All in favor? Any opposed? Any abstentions? Councilmember Zimmerman abstains. Everyone else votes in favor. Sorry, councilmember troxclair abstains. So we have two abstentions, councilmember troxclair and Zimmerman, and the mayor is off the dais. So that passes. We are going to move on to item 4, which I believe has no speakers. It was pulled for executivesession. Is there a motion from the dais? This is the legal -- this is the contract for legal -- legal fees related to the nacogdoches plant. Again, that's item 4.

>> Zimmerman: Thank you, mayor pro tem.

>> Tovo: Oh, I didn't recognize you but now I will. Councilmember Zimmerman.

>> Zimmerman: I'd like to make a motion regarding item 4. I'd like the move passage but I'd like to amend the amount to \$150,000. I'm not sure what order you'd like that in. Should I move passage first, then --

>> Tovo: Yeah, why don't you move passage first then that as a separate amendment. There will be discussion to that. Councilmember Zimmerman moves passage of item 4. Is there a second? Councilmember Garza seconds that. Anybody want to speak to their main motion? You want to -- let's just jump into the amendment. Sips thank you. So --

>> Zimmerman: Thank you. I'd like to be recognized to change only the amount, to change the amount from not to exceed 25,000 to not to exceed 150,000.

[4:57:39 PM]

>> Tovo: Okay. Councilmember Zimmerman makes that amendment. Is there a second? Councilmember troxclair seconds that. Is there a discussion about that? I'll recognize to discuss that first.

>> Zimmerman: I was just going to say, based on the conversation that we'd had, I thought that we could accomplish the same objective with the 150,000 for the initial work that we'd like to do. So that's the only reason I made the amendment.

>> Tovo: Councilmember pool.

>> Pool: Based on my understanding of what's needed in our legal department, I would not support lowering this amount because I think if we lower it and it has to come in higher and more fees are needed to be paid, then our legal department would have to come back to us. So this is a not to exceed number, which is the 325,000, and I'm comfortable with that, having had a conversation with our legal staff on that.

>> Tovo: Other comments? Okay. So we're voting on the amendment to lower the amount. All in favor? And that is councilmember troxclair and councilmember Zimmerman. All opposed? And that is the remainder of the dais. Councilmember Gallo, how are you voting?

>> Gallo: [Inaudible]

>> Tovo: So that motion fails. Now we're back to the original motion. Any other comments? Councilmember Houston?

>> Houston: Well, I'd like to ask legal staff when they get up to that \$100,000 or \$150,000 cap so just kind of let us know so that we know where that is and what scope of work has already been completed. I think that was the concern, is that the thinking was if something else -- everything that we need to be done under that amount, but if he could get updates on that, that would be helpful.

>> Tovo: Do you want to address that?

>> Yes, we can absolutely do that, if we get anywhere near that number.

[4:59:39 PM]

Like I said, we'll be back in front of relatively quickly but if we start approaching that number, we'll certainly keep you updated.

>> Tovo: Thank you. Councilmember Zimmerman.

>> Zimmerman: Thank you. So we're back to the main motion. That's fine. I would really appreciate the council's support on this and I think we can make some progress on this. We've been overcharged for this project. I also want to note that I did do some more work on this, and I was surprised to see how much opposition the environmental community had brought back in 2008. I was pretty impressed and surprised at how much opposition there was. So I hope the council will vote unanimously to support this.

>> Tovo: Okay. All in favor? And that passes unanimously on the dais with mayor Adler off the dais. So we're set for a 4 o'clock time certain, but the mayor is not on the dais and we're going to wait for him to return. And so that brings us to item 21, which is the committee system, and councilmember Casar, this is the resolution you brought, if you'd like to make a few comments, we do have several speakers on this item as well.

>> Casar: Let me just outline the issue before we take the speakers. This will be most likely a multipart process. This resolution tries to address the purposes of the committees, and that purpose I think is larger in line with how we envisioned it, but with some tweaks. I think it's a departure from what it was that many of us may have originally thought were the best uses of committees and tries to focus on what I think the majority of council thinks the best uses of committees are. To make some of the other reforms we've discussed in the transition committee will require changes to the ordinance, and in some of the -- and the action plan and operating procedures outlined by councilmember Kitchen so well will be dependent on what is finally written in that ordinance.

[5:01:45 PM]

So we will, on February 25th, I believe, be posted to take action on that ordinance. I think that moving forward on today's resolution, though, is an important step forward because we're several months late in reforming our committee system like we promised we would. And I think it helps us taking this step forward can help with predictability for the public and staff about what the committees are really for, so it sets just a culture for ourselves, but there's more to come.

>> Tovo: Thank you, councilmember. Let me just take a break from this issue and say we've got 21 which we're doing now, 48 is sunchase, four speakers, 58 we have five speakers, and we have two speakers signed up to talk about parkland. And as I mentioned, the mayor is off the dais and I know he wants to participate in

the transportation items. It's my guess that we're not going to get to those before we break -- oh, we don't break today at 5:30, do we? Okay. Then let me think about that for a minute. We'll just move on, but my guess is, we will be taking a short break, so it's likely we may be a while before question get to the transportation items. Councilmember kitchen.

>> Kitchen: Perhaps I missed it, but did we do 9?

>> Tovo: We have not yet done 9. So we'll take that up as well. Okay. So our two speakers on this item are David king. You're up first, and you'll be followed by Mike Burnett.

>> Thank you, sir mayor pro tem, councilmembers. You know, I think this is an important resolution to now be taking a look at the council committee structure and see what tweaks we might need to make. I think it is a good idea and it is a good concept to really facilitate input and get some of the details worked out before the items come back to the full council. So I still believe that that's a worthy cause.

[5:03:48 PM]

And so I do appreciate this look back to see what we might want to tweak. I do have a question about the point about the committees will not be the primary vehicle for taking public input. However, committees can take public comment early in the policy-making process if the committee finds that that input would be helpful. That's a little nebulous, a little confusing to me. I think it needs to be clearly stated on the agenda for each of the committee meetings which items are going to allow public input and which items are not. And I understand that we are still getting used to this process. I'm not being critical of this, I'm just saying the more clear we are on the agenda about which items allow public speaking and which do not, the better it's going to work out for the citizens. So I would suggest that we have, for each item, public speaking is allowed, or not allowed, and make it that clear, because some committees allow and some committees do not allow input on briefings, for example. It's inconsistent. And I just want a consistent policy so everybody understands how they work. And I know some of you have asked for that yourself. Regarding number 3, the council does not assume that items from the city manager should go to the council committee before being placed on the council agenda. I think it's important for the public to know what is the criteria, what are the policies for items to be placed on council committee agenda. I think that's important because it's a matter of public -- it's transparency. Some folks wonder, well, why did that go directly to the council and not through a committee? So I think policies and specific criteria would help inform the public on why those decisions or how those decisions are made. And then, you know, I know there's a lot of concern about the meetings are long, or longer, maybe not as short as we expected them to be with this new process, but I think it's reflective of the fact that we have 11 councilmembers on the dais and we have a broader range of perspectives, and those perspectives are getting air time finally.

[5:05:54 PM]

So I'm concerned about trying to cut back on the amount of time speakers have or cutting the number of speakers down just to get through the agenda quicker. And I understand you're just human beings, you can't be up here all times, all hours of the day. I realize that. But I do think that public input should be the prior, and I know that's what you're trying to do and I just cheer you on in continuing to do

that. And the online -- I think we should have an online sign-up process for all committees and for council meetings. Make it the same process for every one of them so that you don't have to figure out a different process, depending on which committee you're going to. So my time is up.

>> Tovo: Thank you, Mr. King. Mr. King, you have a question from councilmember Zimmerman.

>> Zimmerman: Thank you, mayor pro tem. Let me first acknowledge, Mr. King, your attendance record at city council meetings is about as good as hours. In fact, right now, it's better. The mayor is not here, and you are. So it is remarkable how much dedication you have to show up to these meetings and participate, so I want to say thank you for that. So to me that makes you an expert kind of in the question I'm going to ask. And so you're right about the confusion about, you know, when is the main testimony going to be, or when is -- is it in front of a committee, is it in front of full council? And it's also confusing, sometimes we want to hear the majority of testimony in a committee, so that we have four members and we can dedicate more time. But one of those objections was, we might want to do that at 2 o'clock or 9 o'clock, instead of maybe at 6:30 in the evening. So is part of the objection that the committees are not having the meetings in the evenings where more people can attend?

>> That's what I've heard, that meetings during the day -- for me personally it works, but I'm just one person, and, you know, this is about the community, the whole community. So I think that that's a good point. If there was some way to of -- to have meetings in the evening -- I know you do have other lives but I think that's worth looking at.

>> Zimmerman: Okay. And the other question has to do -- I think the community, if you think about it, the community doesn't want to give up their opportunity to be heard by all 11 members.

[5:08:02 PM]

I mean, and I have been, I've been on the other side, of course, and I'd rather talk in front of 11 people than talk in front of four people. So there's some common sense there. Is that another part of the objections of how we do committee hearings or --

>> Well, I think that's an important point, but for me, I'll take every opportunity that I have to communicate about issues. And I appreciate you listening to me and considering my input.

>> Zimmerman: All right. Thank you.

>> Tovo: Thank you, Mr. King. Councilmember Casar.

>> Casar: Mr. King, I absolutely think you're an expert in the area and have identified the same issues that you have. I think that some of those issues we will be addressing much more specifically in the ordinance amendments, and if you -- I can get you a copy of them. We also explain them at work session. One issue is about public comments. I think we do realize that, at least in my opinion, that we should be using committees to do as much work amongst committee members to tackle complicated issue as we can and have the public comments here at the council meetings, do run into the evening when people can come. So right now I'm actually in favor of expanding the ability to testify on Thursday, and Thursday is just the night that we sacrifice that we go late, instead of it potentially becoming Monday, Wednesday, and Thursday that we go late, and then, you know, I know that folks are already going to neighborhood association meetings the other nights and also have children and

other things to do. So I think that we'll be addressing some of that in the ordinance process. As far as the items from the city manager that are supposed to -- that we are now in this resolution saying we don't assume go to committee are under ordinance changes we've proposed going to co-sponsorship or even majority sponsorship of items in order for them to be placed on a committee agenda, so it'll be transparent why something is on a committee agenda because the committee members requested it and only for that reason, I think that gives more transparency for the public and frankly helps our staff to know to bring things to the council. And then the council committees can govern themselves and decide what things they want to take up, how much time do they really have, and what just needs to live on council's agenda.

[5:10:07 PM]

So that's my preference. That's, again, more in the ordinance that we'll be handling and will be so in the -- and less so in the resolution. But thank you for bringing up those points.

>> Thank you.

>> Tovo: Councilmember Kitchen then councilmember Pool, and then councilmember Houston.

>> Kitchen: I think you can sit down, David. I just wanted to make a comment that -- that I really appreciate the effort to give some description to the purposes of the committee. I think that's -- this resolution is aligned with what we have been doing in committees. The other thing, I would just say that, yes, as councilmember Casar has stated, there will be more definitive language in the proposed ordinance changes that we bring forward. And then finally, I would just caution that -- I would just caution that we -- there is not one set rule that works for all committees, and that works for all issues. I think it's very important that we maintain the ability for our committee system to work, and to take on those public policy issues and to do that by hearing public testimony and to do that in whatever way is appropriate for that issue. So I think that this resolution can give us some guidance, but I would also caution the public that, at least from my perspective, I don't think we need hard and fast rules that every committee has to be the same, nor that every issue has to be treated the same. I do -- I do think we owe responsibility to the public to be clear when we're bringing up something in front of a committee so that people have an understanding of how things will proceed.

>> Tovo: Thank you, councilmember Kitchen. Councilmember Pool.

>> Pool: And on the item that Mr. King raised about the sign-up, we have a if you sign-up system, and my understanding is, it will -- if it doesn't already it will soon include electric sign-up for committees as well. I think the city clerk's office, that's one of the improvements they have been working on.

[5:12:10 PM]

So we're hearing, and we share your interest in finding ways to be more transparent, doing the best we can to get it out there, roll it out as quickly as possible, too. Yeah, thanks for bringing it up.

>> Houston: How many more speakers do we have?

>> Tovo: Just one on this item.

>> Houston: I'll wait till after that.

>> Tovo: Mr. Burnett, Mike Burnett, you are our last speaker on this item.

>> Ladies and gentlemen, in reference to this particular issue, I'd like you to understand my position is fairly simple and straightforward. I doubt there's many issues that come to the council that don't have either a fiscal or direct policy or quality of life issue associated with them and, therefore, to be very simple and straightforward and very quick about this, I don't feel that there's any time where sole testimony in front of a committee, without full council, constitutes full disclosure to the public, and, in fact, of course, given first amendment mandates, I'm not sure if that would constitute something that the city should be contemplating. Thank you. Appreciate your time.

>> Tovo: Thank you for your comments, Mr. Burnett. Councilmember Gallo, did you have a question for that speaker? Okay. Councilmember Houston.

>> Houston: Thank you. And I posted two things on the message board today, and I appreciate councilmember Casar's amendments, but I want to talk just -- I just want to talk just a minute, and again thank the transition committee for the work that you all have done over this past year to try to get us organized. As I -- and I mentioned this in the work session on Tuesday. As I was looking at the original ordinance, it seems to me that we could have our ordinance language in the ordinance, and then move some of the items into council operating procedures. That would allow for a lot more ease in changing and making adjustments as we go on in this process, rather than having to come back and amend an ordinance.

[5:14:19 PM]

And I have an example, on page 1 of 15, where it talks about the term of a committee member is one year, beginning on the date of the committee appointments. I don't think that was our intent, and I don't think that's our practice. So, you know, we need to look at our ordinance and just not keep amending it, but take a holistic look at our ordinance so we can put in there some language which is what I suggested on the bulletin board. I'm going to see if you all will go and look at it. And then the second thing is that we've got between, again, the draft -- draft work group report is just great and kind of outlining how things are supposed to move through the system, and like in section 2.507, citizens participating -- participation at a committee meeting. And so we talk about a public hearing, but in the working draft, it says that only public comment can be taken during committee meetings. So we need to sync up what is in the working draft along with what is either in the ordinance or what is in what I would call our operating procedures. And I'll be happy to sit down with councilmember kitchen because I've gone through it now with a fine tooth comb and said there's some places where we kind of go, it stops here, but do we have a way to report back to whoever referred it to us to say this is why the committee is not taking it up? We talk about postponement, but it just says you can't postpone an item, but how do you relate that back to the people that referred it to you to say this is why the committee decided not to take it up. So I support the amendments as they are today, but I think that before we start amending, amending, amending, we need to take a holistic look at the ordinance to make sure that we get some of those kinks out.

>> Tovo: That's a good point. Councilmember Gallo.

>> Gallo: I did have a comment on Mr. King's referenced evening meetings to allow people to be able to come here when they work.

[5:16:27 PM]

You know, it really is balancing act for us because I know all of the councilmembers now that we are -- we represent districts really make an effort to attend neighborhood association meetings, and those are usually always held in the evening, so we have to -- we have to balance evening meetings here with also being able to be out in our community and attend those neighborhood meetings. So I know that that often is a conflict in timing when we schedule some of these meetings for in the evening.

>> Tovo: Other comments on this item? Councilmember Casar, did you pass -- did you have --

>> Casar: I just wanted to make sure -- that one's the one that's already posted. In backup just wasn't read. So I move the newest version, the one that says that council -- for example, at their discretion, may take public comments early in their process. That's what was passed in work session. . >> Troxclair: Did I misunderstand, I know we only postponed this for a week but I guess I thought this was going to kind of coincide with the broader ordinance or something, is that -- did I misunderstand that process?

>> Casar: Yeah. I think we will take up the longer reports and ordinance together because those rely on one another, but this is just separate because it can't be put in an ordinance, it's really a cultural thing that can be stick to ourselves.

>> Troxclair: Okay. I don't know, I think I just disagree with what the intent or the best use of the committees might be. For me, you know, when we originally talked about creating the committees, it was really -- I really thought that when we set up the system of, you know, go to committee first, the only reason that we had the ability to have four co-sponsors and bring it straight to council, that was originally kind of talked about not as an encourages situation, but, you know, as something -- a mechanism to make sure that something didn't get stuck in committee.

[5:18:39 PM]

And I think that we have really gone away from that concept, and kind of the standard now is everybody is bringing them directly to council. And I think a lot of times we pass things without the kind of time or discussion that different policy issues deserve. And so I kind of thought that -- that that was our intent. I still think that that should be our intent. And as far as the deeper complex policy discussions, I mean, I think that that should be something that is certainly open to committees. I think that there are certainly some topics that are -- require more time and energy and not -- they're not necessarily contentious, but they just might be more detailed. Like, for example, the economic opportunity committee, I'm really hoping that this year we can take a deeper look at the way the hot taxes are used because it's something we've talked about consistently at council and whether or not we really can use them for south by southwest expenses, things like that to really just provide additional information to the council once those issues do bubble up to this level. But in practice, some of the more complex controversial issues, the complex policy discussions, like str and tncs have not been effective when handled at the committee level. Those are the kinds of issues that I think the whole council really kind of does need to hear because, otherwise, we're going back and going through all the same testimony again and all the same details again, because it's important that all of us really understand -- have a deeper understanding of those kinds of complex, contentious issues. And so, I don't know, I think I just disagree. You know, if I was going to draft a resolution that talked about the purpose of the committees, I think that I actually might be coming from a completely opposite perspective where more of our kind of day-to-day -- not

routine things, but the things that we're all kind of consistently thinking about and bringing forward as ifcs or things we should be taking about in committees, and more complex issues that are going to be time-consuming, well, they're going to be time-consuming either way, either we do it quite, at committee, and repeating the whole process at council, or we just do it once and have those kinds of issues at council.

[5:21:03 PM]

So I don't think -- I really do, I appreciate the intention of trying to, you know, put in a resolution what you've learned or what you think the council has learned over this time, but I think that I -- in the end. I think that I just disagree with you.

>> Tovo: Thank you, sir councilmember troxclair. Councilmember Casar, did you have --

>> Casar: Yeah, I think it is just an honest disagreement between sort of more legislative model where everything goes through committee, and one where the committees have the discretion to choose what it is they want to work on. And I think the committees will shine and have shined more when the committees have more discretion about what they want to work on rather than having lots of other issues to deal with. I think in the end, majority of council just has to rule on that -- on that cultural sort of shift, where we give the committees the discretion to choose what it is that they want to spend their time best on, and not assume that everything has to go through a committee by practice. And I would say that the issues like centers or whatever else, the committees and the council can still choose whether that's something they want to have in committee and the committee can have control over that, or if we think that's something we just need to hash out as a group because the whole group he wants to work on it, we can decide to do that. This is really giving committees control over working on a smaller set of issues well. And if we just have a simple disagreement with that, that's sort of what the resolution is for so we can call the question on it, not motion to call the question, but ultimately we can still decide as a group and follow the will.

>> Tovo: Councilmember Zimmerman.

>> I'm sorry, can I ask a follow-up real quick? I'm sorry, just a clarification on the idea that I mentioned about originally kind of thinking that everything would go to committees with two co-sponsors, then if you needed to come to full council immediately, then have four co-sponsors.

[5:23:11 PM]

Is your intention -- do you feel like your resolution speaks to that? Are you intending to make kind of a policy statement that the -- whereas before, the rule was go to committee first and then -- use the

[5:29:10 PM]

have several speakers on this 20.

>> And those are Gus Pena and David King. Mr. Pena, is Mr. Pena still here? I don't see him, so Mr. King, you will be our only speaker on this item. And Mr. Pena was signed up neutral. Mr. King is signed up against.

>> Thank you, mayor pro tem, council members, and I signed up against this because it's my understanding that essentially what we're doing here is we're taking \$1.5 million

in taxpayer money, the reserve fund, it's taxpayer money, and we're going to use it to pay for public safety associated with for-profit events in our city. That's the bottom line to me. And if I'm misunderstanding that, someone please correct me. And if that is the case, then that concerns me. You know, I -- I thought, you know, we had some elections to, you know, maybe change some of the things that we're doing in terms of subsidizing business and for-profit events in our city, and I hope that's not what we're about to do here. And I know this is a city-sponsored event, but really, it's a for-profit event. That's really what it is. We can call it city sponsored all we want to cloak it in this invisible cloth to hide the fact that the bottom line is it's taxpayer money being used for for-profit events, and there should be other ways to -- to get the funding necessary from the events themselves. There could be a surcharge charge for tickets that goes back into the city coffers to help pay for this. And, you know, this -- this fund is a -- is a -- budget stabilization reserve fund for economic downturns, and why are we using that money? There's no economic downturn here at all. We're booming here.

[5:31:10 PM]

This would be the last time that I would think we would want to use taxpayer money to help a for-profit event. It would be different if we were in an economic downturn and we had to find ways to really generate more -- more economic growth here. But we're not there, and it concerns me that if we're going to use this money now for this purpose, what are we going to have when we really do have an economic downturn? And you all have seen the same news that I've seen, that looks like the economy is maybe in for some rough spots here in the next year or so. I'm not saying a recession but I don't think we're going to have this, you know, fast growth that we've been having for the last, you know, 20 years or so here. I think things may slow down a little. So I think we should be careful about using this stabilization money for for-profit events, and if we're going to use \$1.5 million of taxpayer money then let's use it to help the people who need it most in our city. Use it for health care, for those who don't have it in our city, and let's use it for rent subsidies for low rent families so they can stay in our city. If we're going to use the money let's use it that way. And thank you for listening to my comments.

>> Tovo: Thank you, Mr. King. Council member Zimmerman, did you have a question?

>> Zimmerman: Quick question, Mr. King. Maybe you haven't had a chance to think about this but when we have an event like sxsw we fill up all the hotel rooms. We get a big boost in hotel occupancy tax and would there be any objection from your viewpoint to using the hotel occupancy tax to pay for crowd control and security that we need when we have these huge events and we get a big influx of hotel tax money? To me it's a reasonable thing, because it's dedicated, right? People come here, they use the hotels, they go to special events, then we need extra security for the large crowds. So would you have an objection to using the hotel occupancy tax for security?

>> Well, you know, I would have to think about that. I do -- you know, at least it's another idea. It's another idea to deal with a situation that's not involving taxpayer monies, but, you know, what if we just charged 50 cents more per alcoholic drink that's served during these events and use that money?

[5:33:18 PM]

Our city -- you know, that's our number one deal in our city, selling alcohol. So why

don't we put a surcharge on the alcoholic drinks and use some of that money to pay for this? Seems like there's a relationship to selling lots of alcohol and our public safety issues in our city. How many deaths have we had on our roads this last year? So I think we should leverage all the alcohol sales we're seeing and put a surcharge on that.

>> Mayor Adler: Thank you,

>> Tovo: Mckin is our last speaker. We have two items that are related on our agenda, it's my understanding, and I'm going to invite our staff up to explain this, but I believe that we are actually being asked to indefinitely postpone item 9 and instead approve item 20. Mr. Van Eenoo, are you in a position to explain the difference there?

>> The difference between item no. 9 and 20 is essentially item no. 20 incorporates a waiver of the police services fees, so council took action, I believe, back in December or January to waive fees related to the events and the police costs were not included in that waiver, so item 20 adds that waiver to the initial waiver that council had already taken. And so if you take action on item no. 20 there's no need to take action on item no. 9, so withdrawn permanently.

>> Tovo: Are there any questions for Mr. Van Eenoo or other staff?

>> I have one real quick one. Mr. Van Eenoo, thank you for coming back. Could you explain the use of the business retention and enhancement fund and why that's appropriate for funding some of the costs during the spring festival season?

>> The business retention enhancement fund is not what's reflected in item no. 20. That would be coming from our budget stabilization reserve fund.

>> Pool: Okay. The business retention enhancement fund was the mechanism we had selected previously, and that was in item 9, and it's now --

[5:35:26 PM]

>> That was -- that was one of the mechanisms after council approved the contract amendment with Apa to work this event on an overtime basis, I put out a memorandum talking about three potential funding sources. One was -- was dependent upon what council chose to do in regards to charging fees or waiving fees. Council has chosen to waive the majority of fees related to the event, and with item no. 20 would also waive the police services fees related to the event, but that was one option. The second option was to look at our budget stabilization reserve but our fiscal '15 books hadn't closed yet so we couldn't give you a definitive book. They're now unaudited but they're closed so we can tell you there are sufficient funds in our reserves for that purpose. And the third funding source was to look at our business retention and enhancement fund. That is a special revenue fund that council -- fund that council established to help retain businesses in the sixth street/south congress area, and so this purpose isn't directly related to what that -- to what that fund was set up for, but council set the fund up, so if council wanted to take action to move dollars out of this fund for that purpose, they could do that. It's something that they've chosen to do a couple years ago as part of the budget process. Council elected to redirect some funds out of that, funds to other priorities. So there's several million dollars currently in that fund and council could elect to redirect those funds if they wanted to, but that's not what would occur on item no. 20. Item no. 20 would take the funds out of our stabilization reserves.

>> Pool: Does this settle the issue for just this year and set us up for a different way of funding it next year or is this something that would go forward.

>> The contract amendment council approved was for the remaining two years of

the contract with the Austin police association, so in fiscal year '16 we would be recommending to council to take the funds out of your reserves to pay for it this year, but we will need to continue that funding in fiscal year '17 so we would just bake that into our budget recommendation to council, and that would -- that would most likely take the form of a general fund operating budget.

[5:37:38 PM]

We would include it in the police department's budget for fiscal year '17 and it would be enacted as you adopting the overall budget. Anything beyond that will be dependent upon the next contract with Apa.

>> Pool: I had one last question. I don't know if you can answer it. But my understanding is some of what we were intending to accomplish with this was to allow the officers the opportunity to actually have spring break off if they didn't want to work the overtime. Previously we had mandated the overtime. Is that -- is that still continuing, that they will have the opportunity to take spring break with their family should they choose that? I don't know --

>> That is the situation. The officers used to be reassigned from other duties, so detectives would be taken off of their detective work to work the event. It was on a mandatory basis, and this event is all being done on a voluntary basis. My understanding from APD is that all the necessary slots have been signed up for, so they do have sufficient volunteers to cover the event. There will be no reassignment, no mandatory overtime.

>> Thank you very much.

>> I have a question.

>> Yes, sir?

>> Zimmerman: Thank you for being here to answer some questions. I'm looking at item no. 9, at the bottom of the page under additional backup information. There's a sentence here that says, additionally, estimated revenue from sxsw event fees of 400,000 for public safety services is included. Do you know -- are you familiar with it?

>> Yes.

>> Zimmerman: But it looks like on item 20 -- seems like these are mutually exclusive. And under item 20 I don't see that \$400,000.

>> Yes, sir. So if you look at the ordinance right on no. 20, on page 2 of 3 on the ordinance, you'll see that the ordinance for no. 20 not only amends APD's budget but it also amends the fee waivers, so that is a strike-out underline version of the fee waiver that council previously approved with the underlying language being item no. 2, police costs, Austin police department, \$400,000.

[5:39:42 PM]

That was not initially -- that was not initially part -- that was not part of council's initial waiver related to the sxsw event. That -- that additional fee waiver is being added in item no. 20.

>> Tovo: Council member Gallo.

>> Gallo: , You know, this conversation has been going on for so long, it's really getting confusing. So I thought the initial conversation was our concern that unless we did something a little differently with the funding for the emergency services and police department, that we were using -- we were overusing our public safety mex. And -- members. So that's where we were talking about the conversation,

the amount that was left over from last year's budget, from the police department, had gone into this reserve fund and we were going to pull money out of the reserve fund to fund this so the police officers could do it on overtime. But now I'm looking at all of these other fee waivers that are added into this, and I need some help kind of understanding where they came into the process, because I thought the initial conversation was about the police department and trying to do something this spring where next year we will go back and look at all of the activities that are actually causing the additional public service being paid by the -- by the entities that are organizing this, whether it's sxsw or all the other events.

>> So there's really three different event actions here. The first action was council approving a contract amendment with Apa, back in November or December that addressed the issue council member pool is talking about and you touched on. The second action was on December 15, 2015, council passed an ordinance that waived a whole bunch of fees related to sxsw. So all of those fees listed on page 2 of the ordinance on today's ordinance, all of those fees have already been waived by council. There was just one item that was left off of that list, the police costs of \$400,000.

[5:41:44 PM]

So that's a change. This item no. 20 changes the ordinance that council approved on December 17 to include the waiver of police costs -- waiver of police costs associated with the event.

>> So where -- I thought somewhere, council members, help me with this, I thought somewhere there was a conversation that sxsw did agree to participate with a certain amount of money.

>> They did. That's the item -- the December 17 item, one of the findings of that item was that for the 2016 sxsw event, sxsw will make payment to the city of approximately \$171,905. So they have agreed to pay for some of the fees associated with the event this year, but not all of them.

>> Gallo: So the 171 would be applied to the fees that are listed here or is that --

>> The 170 --

>> Or something that's not even listed?

>> It applies to something that's not even listed. Those were fees related to the parks department, Austin transportation department, emergency medical services, fees that they had agreed to pay.

>> Renteria: Mayor, pro tem can I take council member Gallo up on her offer to us to help out?

>> Tovo: Sure. And you may answer the question I was about to answer but go ahead.

>> Renteria: Great. I think it would be helpful to have someone from both the mayor's office and sxsw pop up here, if that's all right, because my recollection was that -- recollection was when we passed the original thing in December we said we were going to have to take this item up. So if the mayor's office wouldn't mind talking about what happened in December, how we moved forward with temporarily for this one time having south by pay more and then moving into a longer term contract, that would be helpful.

>> Sure, I'm Jim Wake with the mayor's office. What brought about this item was essentially a part of code. In the fees that we waived on December -- December 17 there were some barricade fees associated there, and in the Austin city code there is

an associated public safety cost anytime there is an event street closure, so those fees were waived for the barricades, but we didn't waive the associated public safety costs or estimated public safety costs.

[5:43:57 PM]

And we weren't aware at that time when we wrote the ifc that those -- we thought that those fees could just be paid out of a 1.5 million transfer that Mr. Van eeno referenced earlier with the three funding options. So essentially we're having to go back and fix an error that we made.

>> Renteria: And my understanding of what it is that we worked on in December was that this was one last time where we were going to have to do this weird fee waiver thing and that we had a commitment moving forward from the city manager's side and from south by side that they would work on negotiating an agreement for future years. And so my understanding of what I've heard from the mayor's office is that item no. 20 is finalizing what it is that we all agreed to as the stopgap for the 2016 spring festival season and that my hope is we never have to do this it this way again because we'll hopefully have a negotiated agreement that details responsibilities of both parties for next time. So thanks for explaining it. Does that characterize it more or less properly --

>> Yes, and -- the deal hasn't changed that was made with south by. They are paying more than they've ever paid and asking for less than they've are asked for from the city before. All fees have been waived in the past for south by associated with the event.

>> So I just want to be very clear. So the amount that sxsw is paying is what amount?

>> It's listed in the ordinance that council passed on December 17, says approximately \$171,000. Of course until the fee actually -- to the event -- till the event actually happens and we actually invoice sxsw we won't know the exact amount. But they're largely fees in the parks and rec department, Austin transportation department, emergency medical services and the fire department, grand total of \$171,000, approximately.

[5:46:07 PM]

Based upon previous years' events that's what it would have been but this year's event has occurred yet.

>> And the total of the fees that are being waived, is that the 709 or are there some additional fees that have been waived?

>> It's the 709.

>> So the answer earlier that the 171 actually went to pay something else, not applied to the 709. So the 171 will be applied to the 709 or there's additional fees?

>> No, ma'am, the \$171,000 related to expenses being incurred in the parks department, fire department, ems, those departments, the 709 is related to fees --

>> It's the balance that's remaining that sxsw is not paying that you're asking the citizens of Austin to pay. Okay.

>> Correct.

>> Gallo: Thank you.

>> Tovo: Council member Zimmerman displooz so the motion --

>> Zimmerman: Help me with what is the motion on the floor now?

>> Renteria: I'll move item 20.
>> Zimmerman: So it's not to approve 9 but rather to approve 20?
>> Tovo: That's right. So council member Casar moves approval of item 20. Is there a second? The mayor is back on the dais and seconds the motion.
>> 'S I'd like to speak against.
>> Tovo: Council member Zimmerman?
>> Zimmerman: I'd like to speak again. I'm not sure but the best I can read here there's been a change under what item 9 appeared to be event fees, revenue of from fees of \$400,000, and looks like that's being substituted, you know, for something else, maybe 170,000, but I've been looking at both of these pages, and from looking at the summaries we are not getting the \$400,000 in fees that are contemplated by agenda item 9, and instead there's a full 1.5 million out of our budget stabilization fund. So I'm going to be voting against this. It, look like -- looks like a change to me, from what we agreed to apply before.

[5:48:09 PM]

I thought we were going to get \$400,000 before and now we're not. So I'm going to be voting against.

>> Houston: Who's in charge?

>> Mayor Adler: Ms. Houston, do you want to take over?

[Laughter] Ms. Houston?

>> Houston: Mr. Van eeno, could you tell me how by transferring out this \$1.5 million, what does that do to our budget stabilization fund?

>> Well, we put out -- when we closed out our fourth quarter report for fiscal year '15 we reported to council that we ended fiscal year '15 \$5.1 million better than we expected. So when council approved the fiscal '15 budget back in September we had certain projections. By the time fiscal '15 yearbooks closed we were \$5.1 million better. Your financial policies allow you to draw those reserves down by up to one-third of the available balance, so that additional \$5.1 million essentially gives you \$1.7 million that you could draw them down within your financial policies. So this action takes 1.5 million of that \$5.1 million surplus and uses it for this purpose and it keeps you within your financial policies in regards to how you're supposed to be using your reserves, the overall level of reserves would still be beyond the 12% level established by policy, so there's no concerns in regards to how it impacts your financial policies.

>> Houston: And who would be working with sxsw in the police department next year so that we're not in this bind next year for the March festival season or the spring festival season.

>> It's typically the Austin events center that works with sxsw and the police department to coordinate that effort.

>> Houston: Okay. Than they'll start issue -- and they'll start working on that pretty soon?

>> They're here to speak on that.

>> Houston: Okay. Could they?

[5:50:18 PM]

>> Good evening, mayor, council, bill Manno, special program events manager. As far as the fees for next year, really need to go back to the fees that the ordinance here. For

2014 and 2015 the ordinances were not -- the amounts in there westbound queried from multiple city departments as to what their estimates were as in years past. So we will continue to work with them and try to get the cost down, but it's usually after the event that we start looking at -- at what we can do for the next year.

>> Houston: The reason I asked that question is because with the police department, this came up as a stopgap measure for this year. And I don't want us to be in that same situation next year for the police.

>> That will take some conversations with both the chiefs at the police department and the budget office as well, and we've all gotten that message, and I'm not sure exactly when those conversations will start, but everybody understands that this was supposed to be a one-year measure.

>> Houston: Okay. Thank you.

>> Mayor Adler: Any further discussion? We'll take a vote on this item. Those in favor please raise your hand. Those opposed? Mr. Zimmerman is voting know, others vote aye, and council member troxclair -- everybody has moved around on me -- is off the dais. A 30-minute break? This is our dinner break. 30-minute dinner break. Let's be back here at 6:30.

>> Mayor, can we give an indication, are we taking up the tnc item after that just for the folks that have been waiting?

[5:52:18 PM]

>> Mayor Adler: I hope so. If not, we -- I don't -- I don't know the answer to that for sure because we're -- we're tending to some loose ends. Yes, Ms. Kitchen?

>> Kitchen: We have speakers for other items, so I'm -- I know you may not know. It just might be helpful to let folks know what we intend to do.

>> Mayor Adler: Okay, so let's speak another item that we have speakers --

>> We make the record clear about item 9, withdrawn that item?

>> Mayor Adler: Yes, 9 was withdrawn.

>> Tovo: I believe we have four people signed up for the sun chase pot item, possibly 3, five for the amnesty, two speakers for the parkland item.

>> Mayor Adler: Let's take those three up first and then we'll do the tnc --

>> Tovo: When we come back.

>> Mayor Adler: When we come back and then we'll do the tnc item. Thank you very much. We'll stand in recess.

[Recess]

[6:35:11 PM]

>> Tovo: Okay.

[6:42:50 PM]

Welcome back. Thank you very much. This is the city council meeting. We're meeting in the council chambers. We took a brief recess and it is 6:42. We're going to go to item 48, which is the sun chase pud. Is there a presentation from staff?

>> Thank you, mayor pro tem. Greg Guernsey and council. Going zoning and platting department. Item no. 48 is case c814 0163 known as the sun chase planned unit development known as the southeast Travis county mud's no. 1, 2, 3 and 4. It's locate the generally north of Pearce lane and left of wolf lane in southwest Austin in

district 2. The property is approximately 1,600 acres in size, and it has been in process for a long time, a couple years. And the environmental board has recommended unanimously. They approved the staff recommendation including the code modifications and accepted the environmental superiority of the pud. The planning commission also recommended approval of the pud unanimously as recommended by staff, including the conditions that were incorporated by, in the tia, the transportation impact analysis and the environmental board him the mud itself is comprised of approximately 617 acres, or about 38% of single-family. There's multi-family, which is about 64 acres, about 4%. There's some mixed residential, which is about 117, it comprises 7.3%. It does have some commercial. It's a mixed commercial.

[6:44:51 PM]

It's about 65 acres, again, about 4% of the whole site. There are civic uses that occupy about 75 acres and there's some community recreation uses that support the residential, about 13 acres. About 613 acres or 38% of this is public and private parkland open space areas. They've also agreed to include two del valle independent school sites, and one fire ems station will also be provided on the property. Part of the code modifications does allow for this -- or non-contiguous land uses. They've agreed to meet the city's two star rating under the energy green building program, or an equivalent to that. They have agreed to land uses and site development standards as part of this pud. This, as I mentioned before, was originally a mud, and according to our M.U.D. Policy they would provide the pud and they have done so. I'll just note that there are affordable housing that they have agreed to as part of this application. It is not S.M.A.R.T housing but they have agreed to provide 10% of the owner-occupied units at 80%, medium family income. At the initial offering for sale. And in addition that there would be 10% of the rental units will be at 60% median family income or mfi, for a period of 40 years. I'll pause. The applicant's agent is here. I know there have been several council questions regarding this item. There's some additional staff available if you have any questions.

>> Tovo: Thank you, Mr. Guernsey. Council member Zimmerman, did you have a question?

>> Zimmerman: I do before you go. Is our housing corporation still here? Because there is -- I have an overhead that I wanted to put up and maybe get their comment on it, together with the developer.

[6:46:54 PM]

Let me put it up here. This is q&a. I believe we're going to get it on the overhead here in a second. Here it comes. This was part of the q&a process and I wanted to get a remark on the yellow highlights I have here on answer 1. The developer is responsible for ensuring units are sold to income-eligible buyers. And then the other highlighted portion, nxcd is recommending that the developer explore mechanisms, et cetera. So those are the two things I'd like to get staff comment on and also developer remarks as well.

>> Tovo: I'm not immediately seeing our housing staff members. Mr. Guernsey, did you have some comments on this point?

>> Right now I'm going to see if we can find any CD staff and perhaps the applicant can come forward.

>> Tovo: Council member Zimmerman, our applicant is ready to come forward. Our

first speaker and only speaker for that matter is Richard Suttle, is Vera Massaro here. I didn't see you over there. Thanks. And you're donating your time to Mr. Suttle, and Amanda Morrow, donating her time.

>> You have nine minutes.

>> I'm Richard Suttle, I'm here on behalf of Qawl I Co, the developer of this pud application. I think Greg -- between Greg and your backup you got a really good synopsis of what we're doing here. It's a large pud. It's been in the process. I think Greg, how soon he forget, we've been in the process for two years. He said. We've actually been in for five. In May of 2011 the legislature created the m.u.d.s subject to a consent decree with the city and in April of 2012 we entered into a lengthy and elaborate consent agreement with the city which is effectively a contract.

[6:49:04 PM]

To get the city's approval of these M.U.D.S we had to go through a pud process and that was to get the superiority items on the table and also decide what the rules of engagement were going to be as this developed out. This property was already subject to preliminary plats. They were already approved. We already had service extension requests with the water and wastewater department. It was pretty far down the road but between the consent agreement and the benefits of the M.U.D., the city consented to the creation. M.u.d.s in the past had a checkered past. They became problem -- or the early M.U.D.S became problems for the city. They became like little cities in the E.T.J. Of the city. So one of the things or several things we built into the consent agreement was these M.U.D.S would walk, talk and act as close to being in the city as they could, starting out. So we had the city has an appointee to the M.U.D. Board. They sit on the -- the city actually has a person on the M.U.D. Board. There's term limits of M.U.D. Board members so you don't get career M.U.D. Board members that have an interest in keeping the M.U.D. There forever. There were limits to the number of days in a year that M.U.D. Board members could get paid for their service to '16 so that they didn't get used to having a job being a M.U.D. Board member. We provide agendas, minutes, reports, budgets and all to the city so that the city knows exactly what's going on. So these M.U.D.S are actually linked to the city, as close as you can be, while still being not in the city. One of the things that the city wanted us to do, I think, is -- was to keep our tax rate at least as high as the city so it never gets below so people don't get used to having a low tax rate. When the city annexes these M.U.D.S, the parks -- we entered into a strategic partnership agreement so a limited district will remain so that the M.U.D. can take care of the parks and the city doesn't have to, so that the park service doesn't go down.

[6:51:06 PM]

One of the more interesting pieces and the reason we're here tonight is because the city said we want to annex you day 1 for limited purposes, for zoning, and we said, well, that will be okay, but if you're going to make us change up our land plan and all we'll have a bunch of little zoning cases and the response back and the collective wisdom was we'll do a pud. So in the consent agreement we agreed to file for a pud and that's what we're here tonight for. Attached to the consent agreement was a land plan with densities approved, and until the pud is approved we're subject to that -- that land plan, and I think the contract says if and when the pud is approved, it supplants it, otherwise we're subject to the land plan. We're obligated and submit a pud for

the application and that's why we're here tonight. We spent three years going through the city staff process. What that involves on a pud this size is you meet with every department and every department gets to ask you for stuff, and then you -- and you go between them, and as one asks for something, it may affect another, and it's a lengthy process, but what it resulted in is us going to the planning commission ultimately with full staff recommendation why we got unanimous planning recommendation. We worked with chuck and Andrea in the environmental and worked all the environmental issues out and we came out with a unanimous environmental board recommendation as well. On the environmental side, because we -- we were in the process so long we actually had a change in the watershed ordinance, and so we tried to anticipate those changes and incorporate as many of the new changes into the pud as we could. So there's -- there's a lengthy give and take on the ordinance side of that, but all -- all it is is our clumsy way of saying what we meet on the new codes and old codes and the codes that we modified, and that's how we got the superiority on the environmental. The affordable housing component that was negotiated was the -- similar to the one you've seen in the past and that is essentially 10% of the rental housing will be made available to those making 60% mfi, and then we have a provision on the home ownership side, 10% of the owner occupied homes will be priced for sale, first sale only, priced to be able to be afforded by a person maybe 80% or less mfi.

[6:53:36 PM]

Council member Zimmerman, I'll answer your question now. That question you posed as to who qualifies these people and who determines who gets to buy those houses, I don't know the answer to that. I know it's not my client. I've also checked around to see who answered that question, and I can't find who answered that question that way either. So the question is who qualifies and how does that work, and the answer back from somebody said the developer is responsible for making sure that those homes get in the hands of people making 80% mfi and that was not part of the deal. It's not part of the contract, and I want to make sure that's on the record. What we did, though, is that in addition to providing the houses at those prices, we are funding 2% of the hard costs of the bonds that the M.U.D. Issues to a fund to go to the housing corporation for them to administer a program for getting those homes in the right hands -- the hands of the right folks. With that I'll take a pause and see if there's any questions. I've got a stack of stuff. I know you all have a late night. I've got a stack of stuff loaded up on the screen. I'll be happy to take questions and we can keep going.

>> Tovo: Council member pool and then council member Zimmerman.

>> Pool: Thank you, thanks, Mr. Suttle, for being here. Could you have describe the elements, the superiority elements in the environmental and parkland categories?

>> I can do it, or would you like chuck and Andrea to do it? Because they do a much better job than I do, or I can try to see if I can make this thing work.

>> Pool: Looks like you're doing a good job.

>> Okay. Well, here's one. We -- one of the things we're capturing off-site entry runoff and putting them through our water quality systems. It's going to take me a minute. So we'll have biofiltration ponds, wet detention ponds that will incorporate 100% of the required water quality treatment volume, capture volume for each pond will be increased by 10%, water quality treatment will be provided for 92-acre untreated off-site area.

[6:55:52 PM]

We protect something different than what was in the old code. We provide protection of headwaters at unclassified waterways. We have the integrated pest management, public open space and trails. Let me see. I've got to flip through. Compliance with the tree preservation ordinance which of course didn't apply in this area. Tree care plan. Water use restrictions imposed by the city. 75% of the waterways with contributing drainage basins of 32 to 320 acres are being protected, volumetric flood detention, natural channel design techniques will be incorporated in the storm water management treatment system. I'm going to hit the high points at this point. Riparian restoration for areas in the 100-year floodplain. That's a big one.

>> Pool: Yes, it is.

>> I mean, that's one where we're basically taking bad quality floodplain and turning it into acceptable quality floodplain.

>> Pool: And remind me again how big the pud is, how many acres?

>> It's 1600 and something acres.

>> Pool: Okay. Thank you.

>> Mm-hmm. And the list keeps going. I'll be happy to keep reading.

[Laughter] It was enough that we -- it's the new environmental board, the most recent one, and they had lengthy discussion of it and we had unanimous support from them.

>> Pool: And it was important to the developer to choose these particular superiority elements?

>> You know, that was part of the three-year process going back and forth. Some of the things that we thought were important maybe city staff didn't. Maybe some of the things that we didn't think were important they did, and that was what took us so long to get through it.

>> Pool: Thank you.

>> Tovo: Council member Zimmerman.

>> Zimmerman: Before you go, I think our housing director, housing corporation director has come, and so maybe we can kind of resolve what's happened with this language I put up. And if we could go back to the overhead of the q&a that talks about the responsibility.

[6:57:58 PM]

Yeah, here we go. So yeah, we're trying to figure out where this came from, and if you heard the developer say that it wasn't their expectation that they would have anything to do with qualifying income eligible buyers. You know, that's I think, an administrative but also potential legal liability, because people may decide that they should have been entitled to a unit, and they didn't get it and they would sue somebody. So could you speak to who answered this question and where this comes from?

>> Sure. Betsy Spencer, director of neighborhood housing. I think one of the discrepancies right now is there was specific language in the M.U.D., and now that we are negotiating the pud, that language has changed. We have made recommendations of language for the pud. We are not in agreement yet with the developer, but we are recommending different language in the pud in that we are requesting additional affordability requirements. One of those would be that there be income eligibility evidence in the M.U.D. It was that the developer would offer them at a specific sales price. Now we are asking for restrictions, and so it -- typically it would be the responsibility of the developer to ensure that there was someone that would do

the income eligibility. Doesn't have to be the developer themselves. They could partner with a nonprofit or another entity that specializes in it. Our language is not demanding or dictating that the developer handle that, but they need to ensure that somebody will.

>> Zimmerman: Okay. Let me --

>> Zimmerman: let me read this. It says the developer is responsible for ensuring units are sold to income-eligible buyers.

>> That is correct.

>> Zimmerman: Yes. And that places an obligation on the developer.

[6:59:58 PM]

That -- it's not a recommendation. It's an obligation. It says the developer is responsible.

>> The recommendation was our language. And so, but, yes, you are right, it is our recommendation that this language be put in and that it would be the responsibility of the developer to ensure that those things are done.

>> Zimmerman: And it's the developer's recommendation for lack of a better word that they are not liable for this obligation. So whose recommendation carries the day? You know? If your recommendation for them is to do it and their recommendation is to not do it -- and, by the way, their recommendation makes perfect sense to me because they're not in that business. The housing corporation is. It's what the housing corporation does, right? That's that's why you exist but that's not why they exist about their recommendation to not be responsible makes perfect sense and I don't understand the city's demand for this. I don't understand it. And we need a resolution. Right? We can't go both ways.

>> Tovo: Councilmember, I think the resolution is that the council has use your discretionary zoning power and makes a decision about a P.U.D. And a planned unit development has to hit certain -- has to be superior to conventional zoning and that's one of the factors we can consider when exercising our discretionary zoning power, whether this is a superior -- presented as a superior P.U.D. I'll just say as a councilmember who voted on the initial -- on the original consent agreement I didn't understand -- I mean, it was my expectation that those -- those units would be not just offered at a price, but offered to people who were at 80% mfi or below.

>> Zimmerman: Okay.

>> Tovo: So I think this is certainly -- you know, at least from my perspective, this is very consistent with what I think the intent of the agreement was. I understand there's a -- there's a dispute about that, and I think we settle it with our final decision.

[7:02:01 PM]

Other questions for our staff? Councilmember Gallo.

>> Gallo: Actually, this is relating to that so I wouldn't leave but I'd like Mr. Suttle to come up and perhaps he can suggest. It seems like we're not very far away from being able to compromise on something. Is there something that you can suggest that might be a compromise to this kind of roadblock here? I mean, obviously the intention is to do that. But the concern is how to do it and is there something that you can suggest that would be a compromise to be able to accomplish it?

>> Yes. But it may not be satisfactory to you, but in the process of negotiating the P.U.D. And negotiating the consent agreement, we weren't -- it wasn't appealing to my

client to give away up to 1.8 million of bond funds because those would normally go to the developer for reimbursement. What our compromise was we're not in the business of doing an affordable housing program and qualifying people and keeping track of it nor in the business of contracting with a nonprofit to do it. However, we felt like the contribution up to 1.8 million through the bond proceedings to the housing fund, they then could go do what they're good at and we'd do what we're good at. In our mind we compromised before we came to you by creating that fund and offering the houses at that price.

>> Gallo: Okay. So now a question to the housing department. Are there other situations where the housing department offers their expertise either for monitoring the continued affordability and verifying that the procedures are in place that have the correct things and analysis happening? Are there -- can you share with us other situations that you might have stepped in to help with this?

>> Two different parts to that. One is the initial eligibility requirements and the second part is monitoring after the fact. We already have the obligation to monitor after the fact, to ensure that whoever is doing this work, it's being done correctly.

[7:04:06 PM]

The finance corporation staff currently does income eligibility for the programs we administer. We certainly have the ability to do that, as do other nonprofits. We would not offer that service without being able to hire additional staff, to be able to do that. Our staff is at capacity right now, and so it is certainly a function of the finance corporation -- that the finance corporation can do, as can other nonprofits. So we would offer that the developer could enter into an agreement or an arrangement, either with the finance corporation or some other entity to do that.

>> Gallo: And do you have any idea what the expense would be if the staff -- if your department provided that service?

>> I couldn't answer that right now.

>> Gallo: Okay, not based on other opportunities or other situations?

>> We have not contracted with anyone else to do it on the outside.

>> Gallo: All right. Thank you.

>> Mm-hmm.

>> Tovo: And I believe we're posted for just first reading tonight is that right, Mr. Guernsey? Thank you.

>> We have not had a chance to talk about, affordable housing, as you have figured out, is not a simple deal, and there's no simple fix. And you may come up with something that sounds right and then you pull the thread apart and we've been working literally on this five years. We have another concept that we're playing with on this particular development where we might pick a percentage -- we'd have to agree on the percentage -- of the number of owner-occupied lots that come available, and it could be that we just day one, we don't have all this 1.8 and will we don't have all this 80% stuff. We just give lots to the housing folks. And then let them go figure it out. Now, the first question is, well, that would be great, 10%, that would be great. It's not going to be anywhere near 10% because when you run the Numbers on that it doesn't work. But it may be another hybrid way because every deal is different, it maybe something. And between first and second, second and third we intend to keep pulling these threads to see if that is something that the city would want to entertain if we could make it work.

[7:06:13 PM]

We have lots of ideas, but I can tell you after five years we have not figured out a way that we can be in the business of affordable housing.

>> Gallo: You know, I would just say that obviously as we look to more and more situations in rezoning to housing, it sounds like this is a missing component part of the conversation that we need to address. So that as we go through the process, there is a plan in place that have perhaps various options for the developer to work with the city on and there's a -- a method for determining price point, et cetera. So hopefully, maybe between first reading and the additional readings, that can be something that -- that the developer sits down with the housing department and starts talking about because I think this will continue. I think this situation will continue and I think you have a valid point from the standpoint that your expertise is developing. Our department has an expertise in doing the affordable housing and managing and monitoring and there are other nonprofits, but I think we need to help with the connection there, and so it becomes a conversation during the process, not at this point that it's -- that it's not resolved by this point.

>> Well, the program in the consent agreement is still the best that the city has ever done except when they've owned the land, Robert Miller. But it's still the best for a private developer to say I will commit to price these houses at 80%. And so -- and the other thing that happens on these big P.U.D.S -- remember, this is one out in etj with a lot of approvals and it -- I don't know whether it even needs zoning or not, but it -- we got pulled in a lot of different directions through this P.U.D. Process. We've got environmental, we've got drainage, we've got parks, we've got design, we've got traffic, we've got roads, we've got all kinds of different things, and affordable housing was one of the superiority things. One of many.

[7:08:13 PM]

So you can't load it all up on affordable housing and say we're just going to make this guy do a bunch affordable housing and not have a give or a take somewhere else because this is a finely balanced understanding.

>> Tovo: Thank you, Mr. Suttle. Councilmember Zimmerman, do you have a question.

>> Zimmerman: One more point here to make. Tell me again about the \$1.8 million that's going to the housing cork? And I -- I would just think that that is the kind of money that is saying, all right, we're going to pay you, housing corporation, to administer this program, this subyou dieded housing program, we're paying you 1.8 million because we don't know how todo this, we're not in the business of these kind of subsidized projects but you guys do it everyday so here's 1.8 million, go take care of it map was the 1.8 million for if it wasn't for that?

>> That's exactly the thought. What it was, every time we have a bond sale, 2% of the hard costs goes into that fund so that then somebody else other than us, somebody better than us at it, can administer that program.

>> Would you give the 1.8 million back and he can go look for another company that will take care of this?

>> Actually my memory of those conversations was that the finance corporation would in fact receive the money but it was actually to go do the housing someplace else. We really at that point several years ago weren't talking about we would do it for this development. Again, I think that's something that we can talk about but my memory of those conversations was that, again, the finance corporation would receive the funds to

be able to use someplace else, but we can certainly have that conversation.

>> Tovo: I was going to also say that it was not my memory of those discussions that that was to be used for administrative costs, but I will talk with my colleagues and go back and review the transcripts as well.

>> Well, to be clear -- to be clear, our position was that 1.8 is for whatever you want to do with it.

>> Tovo: Okay, thank you, Mr. Suttle. Are there other questions for our staff or for the developer?

[7:10:16 PM]

Councilmember troxclair.

>> Troxclair: In light of the issue that we're dealing with with the pilot knob P.U.D., I hear you make a comment about, you know, maybe something can be done between second and third reading regarding, you know, giving lots or something. My sincere request is that in the middle of a P.U.D. Agreement is not the best place for us to come up with new proposals of how we're going to address affordability. So I just hope -- I mean, we'll see what happens with the pilot knob resolution that we have, but I hope that if that resolution passes that will lead to more comprehensive discussion of how we address affordable housing in this city and I know -- I hope that we won't be surprised with something that is included in this P.U.D. That is different from what we've already been talking about so far.

>> I think we've all learned we don't -- that process could probably be done a little better. We're just trying to stay at the table and if if -- currently the best program you have is not good enough, we're willing to consider others. Otherwise we're going to stick with what I have.

>> Troxclair: I understand.

>> I understand you too.

>> Troxclair: And I appreciate your willingness to think outside the box and to consider other approaches.

>> Tovo: Councilmember Renteria.

>> Renteria: Yes. And this is for our housing staff, is that, you know, we have some opportunities here that -- with these P.U.D.S when they give us this kind of money -- I would like to see it where we actually end up purchasing these lots, like, pilot knob, you know, we're probably going to be thinking about, you know, redoing the whole contract there, and what my concern is that we have opportunities to buy land there and put it in land trust so that we can have ownership and then have the ability, when the fundings do come up, to build a house there, to build and sell it to a low-income person.

[7:12:24 PM]

I mean, there's other fundings that we -- resources that we're going to be getting coming into the city where we could use that money to help buy some of these lots, if nothing else. I wouldn't want to give up that opportunity where we can't go out and purchase some of these lots in these P.U.D.S so that we can use them for our housing and keep ownership of the land through land trusts.

>> Tovo: Thank you, councilmember. Seeing no other questions, I'll ask for a motion on this item to close the public hearing and make a recommendation. Councilmember Renteria? Councilmember Renteria moves to close the public hearing and approve on

first reading.

>> Renteria: Correct.

>> Tovo: Okay. Is there a second?

>> Zimmerman: Do we separate the two? Close the public hearing first and then vote?

>> Tovo: Not necessarily, but if there's a good reason to do so. Councilmember pool, did you second the initial motion? Okay. Any comments? All right. All in favor? Any opposed? Any abstentions?

-- So that passes unanimously with councilmember Casar and the mayor off the dais and councilmember troxclair abstains. So our next item is item 75.

>> Thank you, mayor, council, Greg Guernsey, zoning department. Item 58 under the 4:00 public hearings, conduct a public hearing and consider ordinance amending the city code, title 25 to limb the redevelopment of existing small or substandard lots that are developed as a single building site.

[7:14:31 PM]

This amendment was initiated by the planning commission in March of 2014. It came by way of my staff actually approaching the commission because it concerns -- concerns had been raised by some of neighborhood contact team and associations in central Austin -- or central neighborhoods. The amendment itself does two things. It adds clarification that small lot amnesty infill tool, which is one of the tools that neighborhood planning contact teams can opt into and city council then would approve would not be used to disaggregate a site. So what might be meant by that is if I have a house that sits on three small lots and complies with their minimum lot size that you would not essentially remove that house, take advantage of the amnesty provision and then build three smaller houses on the three remaining lots, to create a site smaller than the minimum requirement. And, also, define the term disaggregation. The planning commission did not forward a recommendation to you. They were split regarding this item, and I'm going to point out that staff does not oppose the small lot amnesty tool. It was seen and it was, I guess you could say marketed to our neighborhood planning areas for over a decade that it was a tool that would be used to allow property owners that had smaller lots to have them developed without going before the board adjustment to seek a variance or if there was a homeowner on a smaller lot that they would be able to do some substantial improvements without seeking a variance. The code as it's written has been used by some property owners to create additional dwelling units that sell at a lower price point than perhaps new construction on larger lots within neighborhoods.

[7:16:39 PM]

It is only in the neighborhood planning areas where this exists. Councilmember Hor Morrison of a past council brought this issue up under other section of our code that dealt with something called substandard lots, where we had portions of neighborhoods in west Austin that could not meet the minimum lot threshold of 5,750 square feet, the lots were smaller, they had larger homes that crossed two lot lines, and there was, I guess, a couple incidents where these larger homes were removed and two smaller homes were placed on lots maybe of 4,000 square feet in size. After that, the city council directed staff to initiate an amendment that first spoke to the disaggregation of lots. That occurred in 2007. So this issue has come before council before. That applied city-wide. This only applies in neighborhood planning areas where there's a

secondary apartment option -- not secondary apartment, small lot amnesty option that has been adopted and there's a map in your backup. I want to point out, too, that we -- with amendments like this we bring forward what's called an affordability impact statement. It's conducted by our neighborhood housing community development office or department and they did take a look at this and found that if this amendment were passed, it would negatively impact the implementation of some of the imagine Austin visions goals and priorities related to household affordability and that it would also negatively impact the regulatory barriers to create affordable housing development. It goes on, and this is also in your backup, that it would also negatively impact land-use zoning opportunities for affordable housing development and impact the cost of development negatively and negatively impact the production of affordable housing.

[7:18:48 PM]

So I'm going to make sure that you're aware of this. Staff felt very strongly about this because this is something that we went to the neighborhoods and told the neighborhoods how this tool would be used. There's a trust factor here. Even though I and my staff feel this is a good tool to introduce this time of item, affordable housing in many parts of the community where you have adopted neighborhood plans -- neighborhood plans adopted this tool, there's also that trust factor I think that went in. I'll give one example and I'll pause and you'll hear some speakers, I think, for and against. I think in the north loop area there was less than a dozen lots, I think, that were identified in the north loop area, around 53rd, let's say this would be west -- or east of Burnet Road, or Lamar, this area came up. And it's one of the -- really the sweet spots, I think, for allowing the amnesty tool to be used how it's currently being used, to introduce more dwelling units like I said as a lower price point, but it wasn't what staff professed and sold to the neighborhoods when we were going through that process. So I'll pause and I'll let the speakers speak to this.

>> Tovo: Mr. Guernsey, could you back up and give kind of a general -- you've given us a lot of information and it's all good information, but as I recall the neighborhood plans and the discussion of this tool, the planning team -- the planning staff would actually provide each neighborhood planning area with -- with a map showing what the substandard lots were.

>> Yes, I think --

>> Speaker2: And they would have an opportunity to consider using this tool to allow the construction of a house on those particular lots. So there were -- everybody who was part of that process had a real clear understanding of how many lots were included within the small -- would be included if they adopted that infill tool.

[7:20:56 PM]

Is that right?

>> That's my understanding, my staff or other planning department staffs before mine would introduce a map and say generally here are these lots that would be eligible, that are smaller, don't meet the minimum lot size and could take advantage of that. It is a great advantage because you don't have to subdivide, you don't have to go back and seek a variance from the board of adjustment. So it brought those lots forward to be constructed on. But as I said in north loop there was only a handful of lots and I know there are more than a handful of lots that are not meeting the

minimum lot size that could take advantage of the tool as it's currently used today to remove existing housing stock and replace it with smaller dwelling units on the smaller lots.

>> Speaker2: And that's in essence the loophole that people are describing, who are writing in favor of the fix that the staff have recommended here today, that basically these neighborhood planning -- these neighborhood plans adopted this infill tool with the understanding that the lots within their area that were mapped out would be allowed those property -- those property owners would be allowed to construct a house. Instead you have some developers going in, removing existing houses and then building double the houses on particular tracts?

>> Yes, basically they're not -- not narrating the number of lots but would be increasing the number of houses.

>> Tovo: Thanks. And, again, the staff are recommending this change.

>> Staff is -- your planning commission did not DEM orb or I should say they forwarded it without a recommendation on this item.

>> Tovo: I asked about staff.

>> Staff did recommend it.

>> Tovo: Thanks. Councilmember kitchen and councilmember Renteria.

>> Kitchen: I have a question related to impervious cover because I have concerns related to increased impervious cover and flooding. If I'm understanding correctly under disaggregation, right now the small lots have impervious cover at 65%, am I right about that?

>> Yes. Normally they would have a situation where the impervious cover would be 45.

[7:22:56 PM]

This they could increase that up to that higher amount.

>> Kitchen: Does that mean if a lot was disaggregated both small lots would have 65%?

>> They could take advantage because it's more difficult to fit everything on that smaller lot and make our parking requirements and to have a house of a -- a size that might be comparable to the rest of the houses in the neighborhood.

>> Kitchen: So the bottom line, then, would be on that total lot there would be more impervious cover allowed, which may be a concern in areas where we're dealing with flooding. So okay.

>> Tovo: Councilmember Renteria.

>> Renteria: Thank you. And basically, as -- I just have a comment to make. You know, we went through that process ourselves there in east Austin. We had some streets there. They were called Santa Maria. All around the -- where the Santa Rita Santa Rita project sat and we noticed a lot of these little sublots, a lot of the low-income people living there came to us and asked us that, you know, they couldn't do any improvement on their property because they were illegal lots and they weren't allowed to. So we were one of the groups that lobbied the city to give us the small lot amnesty. And, you know, what we saw happen afterwards was just amazing, that people actually came in there and bought these little lots and put these little homes in there and they're high. They're tall. They're 30 feet tall houses down there, and it just -- basically what happened was that it came into a very low affordable housing income -- income housing that just basically just -- it's displacing everybody who lived there because what you're -- what's coming in is you're having a lot of little high-dollar -- they're

selling them for over 200, \$300,000, and we're not getting anything in return for that.

[7:25:02 PM]

So I was really concerned. I think we need to revisit the whole thing again and see what we can do to solve this problem that we're facing here in east Austin.

>> Tovo: Councilmember Houston.

>> Houston: Thank you, mayor pro tem. You said that there was an affordability impact statement and said that this disaggregation would contribute to higher costs. Am I correct?

>> Actually, the ordinance, as it's written, has a negative impact. So based on -- if council were to deny the ordinance, it would be better for housing affordability and diversity of housing than to keep it in place.

>> Houston: So what I'm asking is, where's the hard data to support that? Because in my area where this has happened, do we have sales costs for these houses that have been disaggregated because we've had time when this has happened and that's why we're trying to close the loophole? How do you come up with the fact that these will be affordable housing? Whether do you get that information from?

>> I'm going to turn to my sisters in the neighborhood housing and community development office.

>> Houston: I say that because we got such good information from the community service -- community survey that we were presented the other day, but we say things like that and then we have no data to support that. And so I'm wondering where do we get that, that if we close this loophole, it will negatively affect affordability?

>> Gina with neighborhood housing. It's really about adding more housing stock.

>> Houston: But does everybody understand that just because you add more housing stock does not mean that people can afford to live there? I mean, that's what gentrification is about, is that the people who can afford to live there are not the people who are being kicked out of their neighborhood because of the high cost of living here in Austin.

[7:27:11 PM]

That's why I keep asking what do we mean by affordable housing? You keep saying the more housing stock we get, the rates at some point will come down and we don't see that happening and none of the cities that y'all bring to us has that ever happened. I've asked this over the last yeah, tell me a city where we've increased the housing stock and the prices have come down. Not in Portland, not in Seattle. None of those cities has that happened. And I don't know that in my lifetime that will happen. So but we just can't keep saying if we close this loophole that will help affordability because we don't even know what we're talking about when we say that.

>> I know councilmember -- I don't have all the data in front of me.

>> Houston: I would like some data. If we're going to do an impact statement, then we need to back it up with something, not just our thinking.

>> I'm aware that if you do add enough units to the market that certainly the cost of housing doesn't get cheaper but it won't rise as quickly.

>> Houston: So can you tell me where that has snapped I keep asking.

>> I think one city might be Seattle.

>> Houston: I just left Seattle.

>> We can try to get you some information.

>> Houston: Please do because I just talked to someone from Seattle and that has not occurred there.

>> The problem is it takes time for that threshold to arise and this ordinance, whether it passes or not, won't necessarily keep prices of housing in check because there are market force that's go beyond this, but as housing -- as a number of units rise, you will get to a point where it will slow and perhaps level if you get enough units built.

>> Houston: What you just said was more honest. It's not going to help it in the short-term. That's all. Thank you.

>> Tovo: Just to pick up on councilmember Houston's question, I think what we've -- what I've heard from people in some of the neighborhoods where this loophole has been exploited is that, actually, what's happening is that a moderately affordable house is being removed and two very high priced, comparatively, units are going in its place.

[7:29:20 PM]

So, yeah, we end up with two houses instead of one, but they're not more affordable. So I just want to be clear that the advocates for fixing this loophole regard fixing the loophole as a key in affordability. I understand the affordability impact statement takes a different position. I just -- I'm not sure that it jives with the data on the ground in the neighborhoods where they've experienced this. Councilmember Zimmerman.

>> Zimmerman: Well, not trying to be humorous or cynical at all, but it seems like the question is do we take one unaffordable home and replace it with two more unaffordable homes? And is that twice as good or twice as bad?

>> Houston: Actually, councilmember Zimmerman, you take one affordable home that people are living in and you create three non-affordable houses that are \$400,000 each.

>> Zimmerman: So the supply is increased but it's a supply -- it's an increase in unaffordable homes in exchange for fewer affordable homes from your viewpoint.

>> Houston: Exactly.

>> Casar: Mayor pro tem? I think that the -- I understand and I've received an email and hopefully we'll get in the presentation some mls data so we have some hard data on how this has worked but I think the comparison to one older home being replaced by two and those newer homes being more expensive than the older home is unfair. What would be a fair comparison is one older home being torn down and being replaced by one really big new expensive home or being replaced by two newer homes that are going to be more expensive because they are newer but the affect of the matter is we know in Austin it's not the improvements or the property built on the land in central Austin that's expensive but the dirt and I think that the theory is really clear that the neighborhood housing department is looking at, is that, long-term, if we're requiring homeowners or renters to pay for 6,000 square feet of dirt, which is what is actually expensive, then it's going to be unaffordable.

[7:31:27 PM]

What -- we need to be able to give people the opportunity, the choice and the option to live on less than 6,000 square feet of dirt. Because otherwise what will end up happening is only those that can pay for 6,000 square feet of dirt will be able to live in central Austin, and we already see that occurring very rapidly. I understand the process issues, and I'll speak to those later, but I think it's an unfair characterization

to say one older home getting demolished and replaced by two newer homes, of course the two newer homes are new, you should compare that to one older home being torn down and replaced by one large single-family home which we're seeing happen in those same neighborhoods and that one large on dirt is by math going to be more expensive. That's the fair comparison in my view. We disagree on it and that's okay.

>> Tovo: We do. Thanks. There are other tools like the cottage home tool. This was -- as Mr. Guernsey said, it was present to the neighborhood as an infill tool to let people who have substandard lots build on it, not as a tool to be used in the way it has been by a few developers in a few neighborhoods. In any case, we should probably get to the speakers. And those begin with Mr. King in favor of the amendment, and then you will be followed, Mr. King, by Corey Brown, you have a variety of speakers who have donated time to you.

>> Thank you, mayor pro tem and councilmembers. You know, to me this is a -- an issue with fairness and equity. The neighborhoods were sold this tool for a certain use and certain purpose and this loophole has been found and is being exploited we would close the loophole and then as councilmember Renteria suggested let's revisit this discussion. But in a fair way where everybody understands what is being discussed and what are the pros and cons. None of this kind of discussion came up when these tools were being sold to the neighborhoods.

[7:33:31 PM]

And yet they have them in their tool kit now and they -- and they can't close this loophole on their own. They need your help. So that's the right thing to do, close the loophole. Then if you think this is important enough to look at as another tool that can be used, then initiate a stakeholder process, inclusive one, where everybody can be involved in the discussion, in the decision about what happens. And in terms of demolishing older homes in -- you know, where is the evidence that -- you know, if we have -- we have pressures to say, oh, I can now have this option to make two homes where I could, you know, only make one, it's more of an incentive to build two homes. So that drives the demand to tear down the homes. That's what's -- that's a factor driving the demolishing -- demolition of homes. And so to me, we shouldn't be incentivizing demolition of existing affordable homes. That's not what we should do. And if we want more density, then let's have that density discussion. But every study that has been done about increasing density in an urban core of a city, a large city, it has not become more affordable. It has not. The families that can't afford to live there get pushed out to the edge of the cities in every city, demography has done that study in every city they studied in Europe, Australia and in the United States. They didn't become more affordable. And so this thing about affordability is used as a ruse to continue what we're doing and let's see through that ruse. If we want to have more density let's get the facts on the table and not keep spinning it and spinning it around and around to get what we want out of this. To me it's disrespectful to our citizens. Let's be honest and above board with them, and that's what I'm asking for here. Let's be honest and above board and close this loophole. That's the right thing to do.

[7:35:32 PM]

And if there's advantages for this loophole, then let's have that discussion over the long-term. And in terms of affordability, the impact, every code amendment poem

has an impact on affordability, every single one. Does that mean we don't pass a code amendment? Which code amendment doesn't add some cost? You could say that about every code amendment that comes up here that deals with housing. So I think that that -- that strategy, to poke holes in trying to close this loophole.

[Buzzer sounding]

-- Is an invalid strategy. Thank you.

[Applause]

>> Tovo: Thank you, Mr. King. Okay, next is Mr. Brown. And you have time donated to you by Eric Goff who I saw earlier, thank you, A.J. Bingham and Evan Gil. You have a total of 12 minutes.

>> Hope I don't need it all, Corey Brown here on behalf of Ara, Austin for everyone, and I'll take a few minutes to show I how small lots can have a big impact on the future of Austin. What you're looking at here shows that small lot amnesty starts with existing legally plat-platted lots. That's a map from 99 years ago of Austin lots 25 feet wide. Small lots are the historical foundation that built this city. What you can see there is compact and connected is not a new idea. It wasn't created with imagine Austin. This is 90 years old. You can see the red lines and actual streetcar map so that people could get to amenities and get to places to work and places to live and places to play all in a compact and connected environment. When Austin increased the minimum lot size to 5,750 square feet, we lost a lot of our housing capacity and that compact and connectedness. Without small lot amnesty, we don't even allow one home on one of these lots that was already legally plat-plated 100 years ago. We're cutting our housing units in half by allowing one house on two lots. What that does is it designs -- takes a city designed to be compact and connected and designs it for sprawl.

[7:37:37 PM]

It designs it for traffic. It designs it to be harder to get around. Compare that with Chicago, which is full of 2500 square foot lots, same size as in that first map, they have a better transit system, they have functional alleys, they also have half the park acreage of Austin. Austin has two times park acreage of Chicago yet 90% of Chicago residents can walk to a park. Only half of Austin residents can. That's because it's compact and connected. So imagine Austin speaks to key issues that we are all very aware of. Population growth requires new housing. We are struggling with racial and income segregation. Housing and transportation costs are rising and when we push all the affordability housing to the edges it gets enforced it gets worse -- it gets worse for those people in the outside areas. We need infill development. So what does imagine Austin say? Number 2 specifically promotes smaller lot single-family homes to help address these issues. NHCD as we discussed says this code imposes negative impact on factor in Austin in the midst of rapidly rising pressure on people just trying to get by, I don't think it's wise to impose a negative impact on affordability on those people. Now, we talk about affordability. You've already started discussing it. Let's define what we mean when we say "Affordable" in this context. These are using MLS data from area four based on actual units that were built and sold on small 2-lot units. For new construction the median home price with four bedrooms, \$680,000 in north loop. The two small lot houses cost \$442,000. Brand-new, new construction costs more. We've talked about that.

[7:39:37 PM]

But a new construction home is going to be current building codes, more energy efficient, use less water, more sustainable than any 50 or 60 or 80 year old home. Additionally, if you look at existing homes, a three bedroom home in the same mls area, median sale price, \$402,000, each of these units was \$40,000 more per unit. However, the per square foot price was lower because they're small and more modest homes. At the same time, there is the potential that maybe you build an Adu on the back, 40 thousand dollars or \$50,000 ad substandard lots cheaper than building onto an existing house and you get eight bedrooms instead of three on that same land area. So people say we can use urban homes, we can use the cottage homes. The problem is, a, a lot of neighborhoods didn't opt into those. Number 2, they're more difficult to build. They have stricter regulations compared to small lot amnesty, which is allowed anywhere single family uses are allowed. As you can see there cottage homes, urban homes are more restricted, also have more restrictive requirements on the design. Whereas a small lot home, if it's 4,000 square feet uses the same compatibility and design requirements as a regular home, so it fits in with the neighborhood. It's not a big mansion, not looming, just a small house on a small lot. Small lot amnesty starts with legal lots that are building permit ready. Cottages and urban homes require a subdivision process prior to the building permitting process, extra time, extra money. We should make it easier to build smaller homes that use less land. We have some examples here. Miller, four units on 1800 square foot lot. Three in the north loop I was talking about nap home on the left is my house. I live on a 37 -- says 32, mine is a 3700 square foot lot.

[7:41:41 PM]

It's a new hoist. I never thought I would live in a new house, however my water bills are less than half what they were on my 7,000 square foot lot in south answer. I don't have to mess with a broken foundation, bad roof, new windows or [indiscernible] Pipe, any of those problems are solved. It's less expensive for me to live in that house. At the same time my house I paid for was the median price when I bought it. It was not more expensive even though new construction. Smaller lot, smaller home. Other Texas cities are already leveraging small lots in ways that Austin is not. Houston, 1400 square foot lots in the city connected to sewer with some other regulations. San Antonio, that's an example, 1500 square foot lots. Dallas, 1200 square foot for townhomes. Why? Because they're seeing that they could leverage -- you can leverage the tax burden across a larger area. If you're splitting up the taxes -- you still have to build the roads, sidewalks, water, wastewater but when 20 people are sharing that tax burden that tax burden is half what it would be if there were only six or eight units on it. Those bigger lots, that tax bill figures into affordability. Also, the civil engineering consultant study for imagine Austin said infrastructure and services cost 15% less for compact growth patterns. I'm asking to vote no on the staff recommendation. The mayor is fond of saying great cities do big things. I'm telling you sometimes big things come in small packages. Look back at your 1925 map, think about the streetcar maps, think about splitting up those lower tax bills then think about do you want to sit in traffic or do we want better and robust transportation options like they have in Houston. Thank you very much.

[Applause]

>> Tovo: Councilmember Zimmerman.

>> Zimmerman: Thank you. That was very interesting. I'd like you to back up on those slides because it sounds like we have two very different ideas.

[7:43:43 PM]

Go back to how you were showing the price per square foot. Just go back a little more of one home -- that one right there. And so I guess what we just mentioned before, the belief in some areas here is we're knocking down moderately priced -- I'll say moderately unaffordable homes and replacing them with even more unaffordable smaller homes, and your data and your argument is the opposite. So --

>> This is a year's worth of mls data. And even from a personal anecdote because I think sometimes anecdotes are good at illustrating things, when I looked at -- I looked at a house in allandale, it cost a little more and I was going to have to dump \$80,000 into it to make it the way I wanted --

>> Zimmerman: Remodel expenses.

>> Tearing down a shed in the backyard that was a Junker, things like that.

>> Zimmerman: These things frustrate me because we always think we can get the data that's going to tell us what the real truth is. And yet, you know, your data is contradicting what some of the councilmembers believe and --

>> Houston: Well, actually --

>> Zimmerman: I don't know what to think.

>> Houston: Councilmember Zimmerman, it's not contradicting because the people that -- that -- I'm -- that I'm thinking about housing and how they stay in this community and how they're not pushed out cannot afford to live in a house that's \$400,000. That's not moderately income housing, for the people who work in this building.

>> Zimmerman: That's completely --

>> Houston: Who have to live out had Hutto. That's why --

>> Zimmerman: That's completely true. I think their point is it's less expensive -- it's still unaffordable but it's less unaffordable. Maybe that's the point.

>> Tovo: Are there any other questions for Mr. Brown? Councilmember Houston, did you have a question for Mr. Brown? Okay. Anyone else? Thank you, Mr. Brown.

[7:45:43 PM]

>> Thank you.

>> Tovo: Okay. Our next speaker is clay crenshaw, and Mr. Crenshaw will be followed by David Woodworth.

>> Thank you, mayor pro tem, council. My neighborhood north field feels like we have been duped. In good faith we opted into small lot amnesty just as we have been proactive for over 15 years in welcoming density to the neighborhood. And now we are staring down the barrel of this sla loophole. As you may know when small lot amnesty was crafted it was intended as a remedy for homeowners with substandard existing legally created lots. And the city did the right thing by passing it for those specific kinds of cases. Dozens of smaller lots that had been in legal limbo, sitting vacant or serious disrepair can now be turned into much needed housing. Impervious cover limits were increased from 45 to 65%. Because of the limited scope intended for small lot amnesty this this was accepted by most as a reasonable entitlement. Now some developers are pointing to hundred year old land plans and claiming technically all of the houses in certain neighborhood areas are built on two lots and, therefore, have been legally separated. As we've discussed so far, these modest homes represent some of the last affordable single family housing in central Austin. I live in one of them. And

these small relatively affordable homes are being increasingly torn down to make room for much more expensive homes like the 2p \$575,000 houses on G. I've seen zero evidence that these lots were ever intended for 15--foot wide houses. It doesn't add up.

[7:47:44 PM]

In reality, the division subdivision these lots allowed for greater flexibility for those families that could afford one and a half lots but maybe not two lots for a little bigger house or biggeryard. Allowing developers to exploit this loophole adds density in a reckless, unplanned way, increases the risk of flooding, stresses the neighborhood infrastructure and opens the door to serious parking issues. The blocks in question have narrow streets, no sidewalks, and a plumbing infrastructure that was not built to handle this many houses. I implore you think about thepractical concrete issues we are dealing with here. Let's add density but let's be smart and open about it. Don't kill the idea of this type of housing, but close the loophole and approach theissue as Austin approaches all over infill tools, with careful study, deliberation and transparency. If the staff runs the Numbers and concludes that 65% impervious cover across entireneighborhoods won't cause flooding problems, then great. At least we would know. But please put an end to this loophole until we can all be sure that the baby will not be loan out with the bath water.

[Buzzer sounding] In our awesome, weird neighborhoods. Thank you.

>> Tovo: Thank you, Mr. Crenshaw. Mr. Whitworth is next. Our last speaker will be Stewart Hirsch.

>> Good evening, council, David Whitworth. So I built homes in the north loop area on small lots, and the simple truth is homes on smaller lots cost less at market rate. At the same time I was building my two smaller lot homes another great builder was building a large lot single-family home. I'm selling in the five hundreds. He sold at 800. One house at 800 versus twohomes at 500.

[7:49:45 PM]

And if you remove this option, all you're leaving on the table tonight is the \$800,000 options that incentivized by our zoning. The banks love it. The builders are doing them and people are buying them. We have a chance at something here. This tool had a confusing -- confusing origins from a very different Austin, a very different time. I was at my brentwood neighborhood association, neighborhood planning, and I did -- I'm building these small lot homes. I did not understand it then. But it's here. It's positive. It works. And it meets imagine Austin. These smaller homes on -- or smaller lots are not stealth dorms, not mcmansions, super duplexes. I go back to check on the young families that were able to buy these homes and there are baby cribs in the houses and the kids are going to the schools in the neighborhood, which has been one of the other historic concerns in this area. Approving staff recommendation would let this natural lower-market rate housing tool slip away. With this tool, you as councilmembers are not bogged down negotiating or entering into tricky agreements. It does not go to planningcommission, zoning and platting. Cottage lot and urban home do. I'm here to tell you that I have been able to build lower market rate housing than otherwise allowed, and, again, approval of staff's proposal would increase the cost of housing that the market can deliver. And, lastly, I just want to say that jerry rusthoven, Greg and Greg Guernsey have been extremely professional

and courteous through this whole thing.

[7:51:46 PM]

When I called Greg Guernsey three years ago to ask him, am I reading this right? Are these heritage lots still legal today under this tool? He could have told me no. You know, he has been honest and transparent and up front. He immediately felt that it didn't meet the original intent and he went to the codes and ordinances in a beneficial way that the neighborhoods feel.

[Buzzer sounding] But I think we really need to evaluate this today in our current -- with our current scenario, our current housing crisis and ask ourselves, is this a good thing that's happening or is this a bad thing that is happening? And if it's bad, I would like to hear how. Thank you.

>> Tovo: Mr. Hirsch, you're our last speaker.

>> Mayor, members of the council, my name is Stewart Harry Hirsch and like most in Austin I rent. And like the accessory dwelling unit conversation last year, we return to Jim Crowe Austin of 1950 here today. Councilmembers Renteria and Houston are correct. If you decouple lots without requiring one of them to be affordable, you end up with what they described. So what the staff could have brought you is an ordinance that closed the loophole, but allowed people who would create one lot with an 80% mfi house and one lot without to participate in smart housing, preserve this as a city-wide entitlement instead of a neighborhood planning tool, and we could be having a kumbaya moment here. As we discussed last week with Williamson Creek \$400,000 houses are not what most of us need. I'm still trying to be a homeowner and I'll never buy a \$400,000 house.

[7:53:51 PM]

So we can put tiny homes on tiny lots. You have my written remarks. The building code allows you to build a 225 square foot lot and, councilmember Kitchen, you're correct, it is stupid public policy to allow 65% impervious cover so why don't you have an ordinance that changes that? It is mind boggling to me that when you have a loophole and you have state enabling legislation since 2005 that allows us to use density bonuses and other incentives to create our affordable housing, we pretend that we're victims of the legislature. I am outraged by that behavior and I will continue to be until we start getting draft ordinances presented to you and the planning commission codes and ordinances committee that fix the problem that needs to be fixed, deals with the impervious cover issues that need to be dealt with, but gets us one affordable unit when we decouple. That could be in front of you tonight, but you're not posted for that. So your only choice, if you care about housing affordability you can is to defeat this strategy and bring back one that addresses all the legitimate concerns that you have and I'd volunteer to help work on that. Thank you very much.

>> Tovo: Council, that was our last speaker on this item. We have two speakers who -- two individuals who signed up, Lisa Harris, who signed up in favor of the ordinance, not wishing to speak. And Jeffrey Tavela who signed up against the ordinance not wishing -- also not wishing to speak. Is there a motion? Councilmember Kitchen.

>> Kitchen: I'll move approval of this item.

>> Houston: I'll second it.

>> Tovo: Councilmember Kitchen moves approval and councilmember Houston seconds it.

[7:55:53 PM]

Is there -- I'm going to turn the chair back to --

>> Mayor Adler: No, I don't want you to turn --

>> Tovo: No, I'm not going to turn the chair back to the mayor.

>> Mayor Adler: I would like to --

>> Tovo: I'll allow the maker of the motion to speak. Councilmember kitchen, would you like to speak to --

>> Kitchen: I can speak for just a moment. I think that my concern with going ahead and closing this loophole is because the small lot amnesty as written and as used in the past was for a very different purpose than what we're hearing. I -- please don't misinterpret that as me being against density because that is not what I am saying at all. I'm just saying that using the small lot amnesty tool as a way to increase density and as a way to increase affordability doesn't work. That's really not what we're doing here. I think if we want to allow day, for example, to allow for smaller lots, we should be going through in a different process. We should be not going through a backdoor. We should go through a different process that involves our code next. I'm also concerned about the impervious cover issue I brought up earlier because just continuing with this loophole allows disaggregation, it allows 65% impervious cover on two lots instead of one.

>> Tovo: Thank you. Councilmember Houston, you seconded it. Did you want to speak?

>> Houston: I love tiny lots, and I love tiny houses. But that's not what we're getting on our standard lot -- on our small lots. That's absolutely not with a we're getting. There's a really cute house on Red River right before 38th and a half street and every time I drive by if those are the kind of houses that would be built on these small lots, then I would be for it but that's not what we're getting. We're getting two and three-story houses on these lots.

[7:57:53 PM]

Again, someone sent us the LMS data -- MLS data -- see, I try not to use acronyms.

[Laughter] MLS, multiple listing service data. And all of it says exactly what the person's slide said. Disaggregated, they can sell them for 400, each one, and so that is not affordable in my mind. And so I'm going to be supporting the resolution.

>> Tovo: Before I recognize the mayor, who -- did you want to make a different motion? Or were you waiting to speak?

>> Mayor Adler: I was waiting to speak.

>> Tovo: Mayor Adler.

>> Mayor Adler: Okay, thanks. Thank you. I'm going to vote for this motion. And I'm going to vote for it without regard to the underlying benefit or non-benefit of the tool itself. I just think that when the city went through the process and adopted this tool, the analysis that was done was done for a very different purpose, I think, that the way that -- the way that it's being used is something that should be discussed and go through our process. And if it comes out the back side of that process with people saying, yeah, this is something that we want to do, then they can come back to us. But because it didn't happen that way, I think -- I think, it should have, so I would vote to limit it and then say let's initiate

>> Tovo: Other comments? Council member Gallo.

>> Gallo: I'm going to vote against the amendment, and the reason why is that, you know, we -- we hear over and over again that because of our exploding population growth, we have to add 10,000 housing units a year, and if we don't start figuring out a way to do that, what is going to happen is we're not going to have enough housing stock, and setting everything else aside from the standpoint of the cost to build, the cost to go through the development process, the lack of housing supply causes property -- properties to go up in value faster than anything else.

[8:00:15 PM]

I mean, we still have a real estate market in the central areas of Austin, and most of Austin, in fact, right now, where there are multiple contracts when a house comes on the market. And so houses are continuing to sell for 5, 10, 20% more than they're listed -- their list the price. So that is continuing to happen because we don't have enough housing stock out there for people to be able to purchase. I keep hearing people talking about a problem of having houses on small lots, and this is a concern to me, because imagine Austin was very specific in saying that we need to have smaller lot, single-family homes. This is an opportunity to increase the single-family housing stock in our neighborhoods by offering smaller lots, and if we are really bought into imagine Austin and that concept, and also the concept of a variety of homes, there are people -- and we heard someone say that not only was it less expensive to buy a house on a smaller lot, the maintenance cost and the holding costs on that property was less expensive because there's less yard to water, it's a newer house so there's less maintenance on it. The utility bills are less because of the energy efficiency. So there's so many places that this allows our community to not only buy more affordable but to be able to live more affordably. I don't think it's a back door. I don't think it's going in the back door. I think it's just giving us and opening up an opportunity for us to add additional housing stock at a price that's more affordable, and we just -- you know, we have got to be able to add these housing stock in our neighborhoods. And I see it as an opportunity and a tool to be able to continue to do that.

[Applause]

>> Renteria: Mayor pro tem? First, regarding the process, I would like to say to Mr. King and Mr. Crenshaw and to others, that if the -- this was in the code amendment initiation process and Mr. Guernsey had brought it forward to us to say this is not how this had been described, then I would have said that yes, we absolutely should initiate the process so that we could have a time to discuss it, because I don't think that it's right that you all were given one impression during the neighborhood planning process and something else turned up, and for us to have just said, well, okay, that's that.

[8:02:47 PM]

I think it's important for us to have gone through this process and to have heard from different people in each of those neighborhoods what the impact has been. But at the end -- in the end when we get -- now that we're at the place where we are and we've had folks speak up and we have the honest analysis of our departments and professionals that this is in our -- in our very study that we have paid for -- studies, actually, that we have paid for to figure out how to become a less economically segregated, more affordable city, it's the amount of dirt that people have to be able to buy and live on in order to afford to live in the city, not just in the near term but also in the mid and long-term, making lot sizes bigger I think is just

a step in the wrong direction. And so I -- I know why folks are hurt, that they feel that they were misled in the process. I don't think that that's right. I'm glad we went through this. And so what I would hope is that if -- if the votes are there to move staff's recommendation forward, that we move it forward only on first and second and on third reading initiate a process like what the mayor spoke about, about actually supporting the process of going to smaller lots across the city, because I also don't think that it's right that a lot of the places where this has been opted into is primarily in parts of east Austin and north central Austin where as council member Renteria and council member Houston have described, you have a faster incentive for redevelopment, and that comes with its own problems. And so I think we should be looking all over the city to provide smaller lots and smaller living spaces. And finally before that third reading we could also look at Mr. Hersh's suggestion of seeing if the economics work and if we can expect for developer to choose to build two houses and build one of them under the S.M.A.R.T housing program instead of what the current incentive is, which is to tear one house down and put in one really big house instead of two.

[8:04:49 PM]

The last thing I'll say is I don't have a concern about folks that can afford a 400 or \$500,000 house finding housing. They will find housing. They will always find housing if they can afford housing at that price, but the people that suffer are the people that get pushed out because folks that can demand that price of a house will win in the system that we live in. And so if we don't have enough housing in this city for everybody that wants to live here, then it will be working class folks and poor folks and middle class folks that get pushed out first every time, and I don't want to continue seeing that happen so that's where I'm coming from, honestly, and I hear the concerns on every side of this but that's where I'm coming from.

>> Mr. Mayor?

>> Mayor Adler: Yes.

>> I would just like to add to what I mentioned before, that I do share council member Casar's concerns about allowing for small lots. I just -- I'm just very concerned about the fact that we keep circumventing our codenext process, because our codenext process is designed to help us look at these issues and come back with a whole range of changes that make sense. And so initiating additional -- you know, I'm just very concerned about continuing to initiate code changes outside of our codenext process, particularly since my understanding is our consultants are writing code now, they're in the process of working on this this year. And so I would -- and I would expect -- and perhaps this is a question for our staff, not right now but later when we get briefed on codenext, I would expect that they are considering these kinds of issues right now.

>> Mayor Adler: Okay. Mr. Zimmerman?

>> Zimmerman: Thank you, Mr. Mayor. Owing to the pretty thorough deliberation we've had here I've had a chance to study pretty carefully everything in the backup material, and I came across something I have not seen very frequently.

[8:06:59 PM]

It says -- you can't see it from here, but it says, affordability impact statement. Impact on implementation of imagine Austin vision related to household affordability,

negative. Impact on regulatory barriers to affordable housing development, negative. Land use zoning opportunities for affordable housing development, negative. Impact on cost of development, negative. Impact on production of affordable housing, negative. So it has a perfect score of unaffordability, but there's an objection that, no, this is going to make things worse. So I have conflicting information. This is -- centralized planning doesn't work. We can't even agree on what the facts -- put that in quotation marks, what the facts are, because we can hear and make cases on both sides. This thing is going to make affordability better. No, it's going to make it worse. I think I'm going to be voting no on this, but I think it's clear that there's just a conflict of information and there's no -- there's no clear answer. And I would think that two unaffordable houses are better than one unaffordable house.

>> Mayor Adler: Okay. Ms. Tovo, then Ms. Houston.

>> Tovo: I'm going to support this change and I want to hearken back to something that came out in our discussion. For one thing, I think this code was initiated years ago. I mean, it's been in the process coming to us for quite a long time, and as one of our speakers who was opposed to this said, it was the staff -- the staff recognized it as a loophole, as something that was not intended. And so I just concur with council member kitchen that, you know, if we want to look at small -- at using smaller lots as a tool in certain places more generally than is currently available, then that is something that should go through codenext and perhaps it should be affordability requirements attached to it, if our reasons to do it are to produce more affordable housing, then let's be serious about it and have some affordability restrictions on it.

[8:09:10 PM]

Again, otherwise, this is a loophole. It's been in process a long time to close that loophole and I support doing so. And I'll -- you know, I lived around the corner for a long time from a house that I believe was allowed to rebuild under the small last amnesty, and I watched those homeowners over the years rebuild their home, largely it took years. But that's exactly the tool that allowed them to do that, it allowed them to rebuild their home, which was on a very small lot and continue to live in that neighborhood. That is not, as many of you have said up here -- that's not what's happening here. We're not talking about tiny houses on tiny lots. We're talking about extremely -- we're talking about market-rate houses that are taking advantage of a 65% impervious cover, which is well beyond what we -- what we have on our standard size lots.

>> Houston: I just want to say one other thing. I'm willing to work with council member kitchen and everybody else, including Mr. Hirsch out there, who's still a renter. Did he say that tonight?

>> Tovo: No, not really. I didn't hear that.

[Laughter]

>> Houston: I didn't think he did, to work on what we did do, but if we wait on this issue for codenext, there won't be any more small lots in my neighborhood, because they'll all be demolished. So I can't afford to wait on that, but I'm willing to work on let's see what the next iteration might look like.

>> Mayor Adler: Okay, further discussion? Yes, Mr. Casar?

>> Casar: Last point as far as -- if this vote goes the way I imagine it will it will only be able to pass on first and second and I'd hope that those that have voiced some support

for looking at small lots will work with council member kitchen or the mayor, whoever else has brought up that interest on co-sponsoring a resolution at the same time looking into it. If our staff and thecodenext folks think that it would be helping them rather than getting in the way of their work.

[8:11:11 PM]

So that way when we take a final vote on something, that in my view is not taking us -- not in the right direction, that we at least have a commitment to looking at the small lot idea as a way to advance our goals.

>> Mayor Adler: Okay. Mr. Renteria?

>> Renteria: Yes, mayor, I'm also going to be supporting this. You know, I'm a supporting of Michael units. I work in my neighborhood with the Chavez planning team, to get micro-units in my neighborhood. We worked with a young man who was tried to build micro-units on 5th and waller. We approved of it. They were small 400, 500-square-foot apartments, but -- and that's the way we should be looking at this. You know -- I had a lot of friends that lived in the Santa Maria, Santa Rita where there were small lots, and the reason we went and gave them small lots and applied for it, the small lot amnesty, is so that they could repair their homes. These were affordable houses. You know, they were appraised valued in the low \$20,000, even about 17 years ago they were still appraised around there, or 16 years ago. These were really a reasonable price home, but what happened now is you drive through there and see these gigantic homes that raised the value of this enabled. The land value is so high that they couldn't afford the taxes. They ended up selling out and moving out and the ones that were renting, they just had no place to go. These are the kind of people, you'll still see them around there, you know, hanging out on the corners, you know, sleeping outside or sleeping with their friends wherever they can but until we find a solution and work with creating affordable housing, you know, that's what I'm really interesting in working with Stewart on finding a way that if we do create these tiny homes, at least one should be given -- be used for affordable housing.

[8:13:29 PM]

>> Mayor Adler: Any further discussion? Okay. We'll take a vote. What item number is this?

>> Tovo: 57.

>> Mayor Adler: 57? Those in favor. It's been moved and seconded to approve 57. Those in favor please raise your hand. Houston, kitchen, Adler, Renteria, tovo and pool. Those opposed? It's the rest of the dais. The item does not pass -- no, I mean, it passes. It was just first -- first and second reading. Because there's only six it can only pass on first reading. Thank you. Sorry. It passes on first reading only.

>> Close the public hearing as well.

>> Mayor Adler: And we also closed the public hearing. Is everybody understanding? All right. Close public hearing as well. Mayor pro tem, what's up next?

>> Tovo: Mayor, the items we have left are 58, which is the parkland item, and then 19, which is pilot knob, and then the transportation items.

>> Mayor Adler: Okay. We call up -- should we call up 58 the parkland item?

>> Mayor?

>> Mayor Adler: Yes.

>> Troxclair: Just a point of inquiry. It's 8:15 and I know that a few council members

have expressed after long nights we've had recently that they don't intend to vote to continue the meeting past 10:00. Do you hope that we will be able to get through these items by then or what would the -- or is that something that we need to talk about now?

>> Mayor Adler: We could talk about that. I think we're close to potentially convening for about five or ten minutes back in executive session room on the tnc issue, but we're not quite there yet.

[8:15:33 PM]

So in the meantime I would think that we would want to continue on with a different item. I'm sorry.

>> I'm sorry, how many items do we have left?

>> Mayor Adler: We have parkland, pilot knob and then the tnc issue.

>> Okay.

>> Mayor Adler: Mr. Zimmerman Mr. Zimmerma N.

>> Zimmerman: Thank you, Mr. Mayor. I will not be supporting a motion to go into executive session, just FYI, for the tncs.

>> Mayor Adler: Okay. We'll do the parkland issue. Mayor pro tem, would you take over the dais again?

>> Tovo: Sure, I'd be glad to. This is an item brought forward, I believe, by council member Gallo. Council member, do you want to lay out your resolution?

>> Gallo: I will. Thank you. I would like to make a motion to approve item no. 58 using the revised resolution, which is the document at the top states item no. 58, revised resolution, and it reflects mayor Adler's amendment being incorporated into that and it's dated February 10, 2016. So the intent of this resolution is to allow the opportunity to transfer any development rights not needed by pard, to develop the parkland they receive from a development project back to the property owner of the non-dedicated land. And so to be clear, the intent of this resolution is not to give more development rights to the property owner than they would have had if there were no parkland dedication required. Some of you may remember this was actually part of our parkland dedication ordinance that we approved, and legal's comment was that they felt like that we needed to remove this language from the parkland dedication ordinance and actually treat it as a separate process. So I've got some comments about it. I don't know, do we have any speakers?

>> Tovo: We sure do. We have Mr. King and Mr. Goff.

[8:17:36 PM]

>> Gallo: I've got some comments but it might be appropriate to hear speakers first.

>> Tovo: Sure, we'll go to the speakers. Mr. King, you're up first, David king, and you'll be followed by Eric Goff.

>> Thank you mayor pro tem, council members, and thank you council member Gallo, for explaining that last point. I was not sure about that when I read what was posted on backup. So that really helps a lot because I had concerns about [chuckle] Granting more entitlements to developers for doing the right thing by providing parkland dedication land and fees. So that's good for me, and, you know, I do just want to make the point that I hope the process that we initiate for this -- this code amendment is not really like the process that we had for the parkland dedication fees that we just finished, because that process started out with a broad range

of stakeholders in which we learned about how parkland dedication fees and requirements were way low compared to our peer cities, and the fact is that we just did to raise them still puts us in the middle of the pack. We're not even on the bleeding edge of that scale either. So in the context of what -- I just want to put some context around what we just did. It's a good change, it's an important change, but it's the process, it's the stakeholder process that I want to speak to right now. The last process, as I said, started out with a broad range of stakeholders including neighborhoods, and the Austin neighborhoods council, but then in those stakeholder meetings ended in August last year, and then the ordinance came to the council and got delayed, and pard -- parks department was asked to go in and address some concerns that were brought up by the council. Well, unbeknownst to neighborhoods, the Austin neighborhoods council and other neighborhoods, a select group of stakeholders were invited to participate in a process there the last three months, and what came of that stakeholder process?

[8:19:37 PM]

A 15% cap on parkland dedication in the urban core. A fee in lieu option, and we know how fee in lieu options work on sidewalks and water quality. Those are issues, and we're asking for no fee in lieu of on those -- on those aspects of our land development code. But here we're going to allow fee in lieu, and we're going to encourage it. And then a -- an appeals process that can gum up the process and slow down the parkland dedication fees that we need and the parkland that we need. Yes, I'm critical of those amendments because they were made without neighborhoods and without the Austin neighborhoods council, and that is not -- is that the kind of process this council wants to have? I don't think it is. And I'm sorry if I'm a little bit mad about this, but the parks department acknowledges that neighborhoods were not included, and then we see on a -- on a monthly -- or a report from one of our districts that the parks was asked about neighborhoods being involved, and those questions were did the neighborhoods ask the parks department if they could participate? Did a and C ask? Well, how would we know to ask if we didn't even know there was a stakeholder process? So that is an issue, and I hope we don't repeat that problem tonight, and I hope there will be some acknowledgment that at least that process was not what you wanted. Thank you.

>> Tovo: Thank you, Mr. King. Mr. Goff, you are our last speaker on this item.

>> Thank you so much. Just to keep it very brief, as I stated last time, this -- first of all, I'm Eric Goff, from aura, a-u-r-a.

>> (Indiscernible).

[Laughter]

>> Good. So this item is part of what the large group of stakeholders last time saw as part of the parkland dedication package, and what's important about it is that it doesn't put housing in conflict with providing great parks.

[8:21:45 PM]

So when a developer has a 5-acre site, for example, and 1 acre is required for parkland education, this would due to the relying of the remaining four acres to develop as many acres as they could have done if they had more acres. If it's right it won't add to the density that's allowed but look like a joint development agreement between the park and the remaining four acres. If it's done right we'll be able to see that we won't reduce

the amount of housing we can provide while still providing a park right next to that site for those new residents. So I think this is a good idea that can help advance both great parks and great housing, and not put the two in conflict. So thank you so much for bringing it forward.

>> Tovo: Thank you, Mr. Goff. Did you have a question for Mr. Goff?

>> No no.

>> Tovo: We have one other speaking signed up on this item and that's Jeffrey tuala who's signed up in favor, not wishing to speak. Council member Gallo?

>> Gallo: Okay. So I thought what I would do is go through just a brief explanation of the be it resolved -- the three be it resolved clauses, and we can do them individually or I can run through all three of them. The first one with help from our co-sponsors in legal, we tried to make the wording a little more general to give city staff the flexibility that they needed to recommend amendments to achieve the intent of the resolution. And there could be multiple ways to achieve the goal of the resolution, so we wanted to provide flexibility, once again, so that staff can make the best recommendations to the council using their professional experience. And we didn't specifically list every department that should be involved in this process, but I think as staff has continued to hear discussion and dialogue on the dais, all the council members continue to say that we want to make sure that all the departments that could be impacted by our decisions be brought into the -- be brought into the conversation process, so that could include planning and zoning, development services, watershed protection and the parks department and any other departments that could be impacted by this.

[8:24:08 PM]

The second be it resolved, we wanted to make sure that additional meetings with stakeholders would occur, and I appreciate Mr. King for continuing to point that out to us, above what's already required through our formal code amendment process, so that everyone has the opportunity to provide input to city staff during the drafting of the proposed ordinance. And once again, we haven't specifically talked about the list of stakeholders, but it's our expectation that the city departments will include as many stakeholders in this process as possible, and all of the stakeholders and interested parties that are out there, you know, this would be their opportunity to let city staff know that they would be -- they would be interested in being included in the conversation. It could be park advocates, like the Austin parks foundation and the many conservancies, neighborhood representatives, housing advocates like aura, and even Stewart, 23 Stewart is tile -- if Stewart is still here. Austin alliance, rica, and any other community members that would want to be involved. Finally the last be it resolved is that we would direct the city manager to bring back the proposed ordinance by June 9, 2016, and we've talked to different city staff members from the various departments just to make sure that this was a realistic time frame to allow city staff to make their evaluations and certainly engage all the stakeholders and do the final draft, and recommendation and go through the proper commissions.

>> Tovo: Council member kitchen?

>> Kitchen: I'd like to suggest an amendment to the second be it resolved. I know the intention is to include a whole variety the stakeholders, but I think that given concerns that were raised about previous processes it might be a good idea to actually list them. So I would like to suggest that we add a sentence that says

"Stakeholder participation -- or the city manager shall include in stakeholder participation representatives from neighborhoods, park and housing advocates, industry and other community members.

[8:26:25 PM]

>> Kitchen: That's fine. I think that's good to specify. We just tried to make it not too long, but I think that that covers the groups that we talked about. You did say park advocates?

>> Kitchen: I said neighbors, park and housing advocates, industry and other community members.

>> Gallo: Perfect. That's great.

>> Tovo: Any objections to including that in the motion? Okay. That will be part of the full motion then. Council member pool?

>> Pool: Thanks. I had -- had had some conversations with the mayor about the be it resolved on initiating an amendment to the land development code, in my understanding, and he isn't here -- but my understanding in talking with him is -- and he and I agreed on this, that we would kickstart the conversation but we would not begin -- we would not initiate amendments to the land development code. So I would like to offer an amendment to the first be it resolved so that it says, the city council directs the city manager to develop a recommendation -- to develop recommendations that offset affordability impacts. So basically we are taking out the words initiates amendments to the land development code title 25, excluding chapter 25-1, article 14, parkland dedication, so that we can indeed have the conversation engaged and then depending on what that conversation elicits, then we may actually engage an amendment to the ordinance, but let's have -- let's have a discussion with the people who are most concerned about it before we jump to a conclusion that we need to amend the ordinance.

>> Tovo: Council member pool, makes that motion. Council member Houston seconds it. We're going to vote on it because I assume because I saw you shaking your head that you're not accepting that as part of the --

>> I think it changes it dramatically.

[8:28:26 PM]

>> Tovo: Would you like to speak to that?

>> I would, and I think the reason that I would be reluctant to change it to remove this is that once again, what I would like to remind everyone, it was this was part of the parkland dedication ordinance, so it was part of the conversation that went through that process, but because of legal's suggestion to remove it from the parkland dedication, there was a commitment on our part that it would begin the process to be included and that the amendments would move forward also. So I think just because it was part of one ordinance that got pulled out, it needs to continue on the same process and the initiation of the amendments needs to be part of that.

>> Tovo: Other comments? Council member Zimmerman?

>> Zimmerman: Well, I think I want to concur with council member Gallo for the same reasons she just cited. I'll be voting against this amendment.

>> Tovo: Council member kitchen and then council member Casar?

>> Kitchen: I can support this amendment because it allows us to hear the recommendations back before -- if that's the intention -- before initiating the

amendment, and I would hate to get through the whole amendment process and then have it come back to us, particularly since we had the kind of concerns that were raised last time by stakeholders. So in this case I don't see a problem with -- with slowing -- slowing down the process just a bit, so that's why I'm going to support it.

>> Tovo: Council member Casar and then we'll get back to council member Gallo.

>> Casar: I have a quick question that maybe council member pool and Gallo can answer for me. When you referred to an amendment the mayor was going to bring forward, are you referring to what he posted on the message board? And the reason that I ask is because -- I think I just pulled up and confirmed it really quickly -- was that in my reading of it the mayor's amendment seemed to not get rid of initiating the amendment's land development code in his message board post and council member Gallo posted that she was fine with it.

[8:30:33 PM]

So are you referring to another amendment that the mayor was -- since the mayor was a co-sponsor on this --

>> And unfortunately he isn't here, but the -- two things. The sense of his and my conversation was that we would not engage the code amendment, my understanding.

>> Casar: So you're bringing up something different --

>> Pool: Simply taking out.

>> That's fine. You're saying this is an amendment that was different than was posted on the message board.

>> Pool: That's right. And as far as timing, are council member Gallo is saying this was part of the stakeholder process, but this was an added element that came in toward the end of the process, and it was at a time when there were a number of additional requests that were coming from the business stakeholders to add to the ordinance, and that is one reason why it was stopped, is because it was -- it was like an addendum. It was not part of the conversation. It was not part of the original list.

>> Tovo: Council member Gallo.

>> Gallo: And so I would just reference everyone to the third be it resolved, which talks about the city manager bringing it back in the proposed code amendment form, back to the council June 9. So that's beyond counting at this point, but that's multiple months from now to be able to go through the process, and then it would actually come back before the council before it continues on, so that would give us the opportunity if we had concerns with how it was drafted to be able to respond and change and make amendments at that point.

>> Tovo: Council member pool?

>> Pool: My understanding is that the parks and rec department staff did not agree to this language. Is someone here from park who can speak to it? And that is essentially my reason for requesting that this not be initiating a code amendment, that we go ahead and enter into the conversation. There's nothing to be gained or lost by simply having the conversation, and it gives us time to sort through the various implications.

[8:32:35 PM]

I do have concerns about how this infill will affect flooding. The examples that are

used in the ordinance, the examples that are used in this ordinance talk about transit-oriented development and zoning districts, but the actual application of it would be individual lots, and they would not be in a comprehensive planning situation where if you have more density on one part of the lot you can mitigate for it on another part in a larger development, in a transit-oriented -- in a TOD, for example. So there are unintended consequences. Our watershed protection staff have not -- need to have an opportunity to talk about this and think about it, and my understanding is the parks and rec department says that this actually is beyond their boundaries and we need to make sure that our staff who work in watershed have input and can discuss the mitigation needs that may arise. And I think we have Andy Lynn -- yes.

>> I'm Andy Lynn, sizeen with the development services. I did manage to speak with Mr. Lesniak about this ordinance, and he thought that in general since we were not adding impervious cover or adding density, that the language in the ordinance allowed us plenty of opportunity to explore options and came up with a way that we could come back with something with staff that would work for watershed.

>> Pool: And so you would need to be included in the discussion?

>> Absolutely. We would have watershed, development services. I think council has expressed to make sure we reach out to all departments that need to be involved in this, to work with park on coming back with a recommendation or an ordinance, if that's your pleasure.

>> And I would say as we did in the second be it resolved, if council member pool is concerned, I did mention I did list the four departments at the very least that should be involved, with that discussion, which was planning and zoning, development services, watershed protection and the parks department.

[8:34:45 PM]

But if we want to list those specifically in the first be it resolved as we did in the second be it resolved per council member kitchen's addition, I'm happy to do that.

>> Tovo: Council member Houston.

>> Houston: And I just have a quick question. When you talk about provide stakeholders in the be it further resolved, where the city manager should conduct one or more meetings to provide stakeholders, are you talking about city staff stakeholders or what are you -- who are you talking about when you talk about stakeholders?

>> Gallo: So council member kitchen provided additional language that actually listed the group of people, which was do you want -- do you have that list?

>> Houston: Do you think that that is a friendly amendment?

>> Gallo: Yes, it is.

>> Houston: I'm sorry, I wasn't paying attention.

>> Tovo: The difference -- and I just want to clarify with staff, the difference between the amendment and the original resolution is that if we initiate this amendment it will have to go through all the boards and commissions before it comes back. Is that correct?

>> Right. Right.

>> Yes, ma'am. Andy Lynn, sizeen. If you initiate an amendment we will go through boards and commission, as directed by the code, to come -- before it comes back to council.

>> Tovo: I think that's the reason for me that I'm going to support the proposed amendment, because I -- while I agree certainly that there were people in

support of this option, I certainly heard from people who were not in agreement with this option, and I think it does need more discussion before the council commits the staff resources and the time and energy of our boards and commissions to really looking at that final ordinance. Council member pool?

>> Pool: I don't know if our head of watershed protection is here. Is Joe pentely? My -- my understanding is he's concerned -- if I can speak for him, about the local area flooding and that is an item that definitely needs to be looked at within the staff level to give us some sense of what the additional impervious cover -- what the effects would be.

[8:36:48 PM]

>> Tovo: So is there additional discussion about the amendment? Otherwise let's go ahead and vote. All in favor? That is council member pool, tovo, kitchen, Garza and Houston. All opposed? Council members Zimmerman, troxclair, Renteria, Casar and Gallo.

>> 5-5.

>> Tovo: So that is 5-5 and that motion fails.

>> Mayor pro tem? We are missing the mayor.

>> Tovo: I noticed.

>> And I would suggest that perhaps on this item, perhaps we should take it up again when he's with us.

>> Tovo: And council member Renteria just said he believes he has an amendment to this.

>> The mayor.

>> Tovo: The mayor.

>> Since you've taken the vote you're going to have to have a motion to reconsider and somebody on the prevailing side would have to initiate that.

>> It's a tie.

>> The motion failed.

>> The amendment, but the motion is still on the table for the resolution.

>> Tovo: I'm going to turn to our legal counsel for direction. So that means we cannot -- what would you suggest we do now, if there's an interest in tabling this item until the mayor comes back?

>> You can table the item, but the amendment failed. And in order to reconsider that you're going to have to have a motion to reconsider from somebody who was on the prevailing side.

>> Tovo: And the prevailing side in this case is determined to be those who opposed?

>> Yes.

>> Kitchen: Could you not also bring back a slightly different amendment?

>> Casar: I'm not going to be a bad sport. I'm happy to have a motion to reconsider if the majority --

>> Tovo: Thank you, that's very collegial, and here's the mayor in the nick of time.

>> Casar: You heard I was a bad sport.

[Laughter] And maybe he'll vote on my side of the amendment.

[8:38:52 PM]

[Laughter]

>> Let's give the mayor some time to catch up.

>> Mayor Adler: The amendment issue?

>> Tovo: Yes.

>> Mayor Adler: Where are we now?

>> Tovo: The amendment failed on a vote of 5-5. If there is a motion to reconsider that, based on now having a full dais, then we could take that vote again.

>> Casar: I'm happy to make that motion but would prefer to make it if the mayor indicates whether or not he would decide to vote.

[Laughter] I'm going to vote for a motion to reconsider.

>> It might be helpful to let the mayor know what the amendment is. This has been a little confusing up here.

>> Mayor Adler: I think the deal -- I think the deal that I struck on this issue was to make it not prescriptive as the initial one was, sending it back for the discussion and the debate, and in exchange for asking for it not to be prescriptive but have it wide open, I agreed to have it go back and then go through the process. So I would have voted against the amendment as well.

>> Casar: So does nobody want to second my motion to reconsider? I'm just saying the amendment is going to go down so probably not a good reason -- you probably shouldn't second my motion.

>> Tovo: And mayor, you understood the amendment was to strike out the language -- well --

>> What the amendment did was simply -- it started the conversation but it doesn't put it through the rigorous boards and commissions process until we determine from staff and stakeholders whether this is a route we want to go on, because the other is fairly intense and I think the mayor pro tem put it really well, that first we wanted to determine whether this was a good idea based on staff input. Our watershed protection points have concerns about local area flooding. The examples that are used in here with transit oriented development and zoning districts, it works to have this kind of a process in places because you can mitigate for density on one side of a development over on another side of a development, but this is individual infill and it will increase the impervious cover and we don't know what we're going to do with the additional runoff that likely will come from that.

[8:41:09 PM]

So my attempt to simply remove the code amendment action was to allow staff to spend some time with it and determine whether this was a wise move going forward before we then engaged the additional input from our codes and ordinances subcommittees, the planning commission and so forth.

>> Mayor Adler: And I know -- and this is very close for me on a substantive level, but from a process level and a council level, when there are so many people on a council that are interested in having a process started and we can start the process with it not being directional, where we identify what the challenge is that we're trying to solve, where staff has lots of different options on the way that they could go, I was supporting -- and when I was the one who came in to try to make it less directional and went to council member to do that, in order to get that agreement to make that directional change, I had agreed that I would support that. So that's why I would vote the same way.

>> Casar: So I'll withdraw my motion to save everybody time, even though it would be fun.

>> Mayor Adler: That has us continuing on the motion?

>> Tovo: Mayor, now we're back to the original motion unless there are further amendments.

>> Mayor Adler: Further discussion on this?

>> Gallo: And I think I made the motion but I don't remember if there was a second.

>> Mayor Adler: Mr. Casar seconds. Yes.

>> Tovo: So I'm going to support this though I just want to say I have some reservations about it and I would look to our staff to run a couple scenarios before it comes back to us as -- I'm not sure I'll support the ordinance change when it comes back to us and I would have liked to have an opportunity to get a sense of what this will look like on the ground, but I'm inclined to support it today and initiate that code amendment. I will say I just want to register some concern about the language that talks about offsetting affordability impacts of dedicating parkland on-site.

[8:43:20 PM]

I think we're increasingly using the word affordability in a various of ways that suggest at least to some in our community that we're pitting one value against another. And I understand that the very intent of this is to look for ways to support both affordable housing and parkland, but, you know, having parkland -- creating parkland on a site may decrease, say, health care costs for those who live near it and now have a place to access. When you have community amenities like parks and playgrounds that are then shared, that people can't afford to have those -- they can't afford to have a yard or they can't afford to have those amenities in their yard, you know, that is -- that is allowing them to have access to exercise equipment and to spend time outdoors and, you know, we're just -- I mean, there is a -- there are a lot of social benefits to that and health benefits, but I imagine that you could also make a case that there are financial benefits to providing those too, because it's reducing -- it's reducing health care costs and other things. So I just want to be a little careful about how we're talking about affordability in a variety of ways, and it is coming up in all kinds of conversations that concern me. So it's a little too late and I'm not interested in suggesting other language. I just want to register my objection to that -- to that phrase.

>> Mayor Adler: Okay. Any further discussion on this? Any further amendments?

>> Casar: My one last point is that I -- I think that the affordability question is a question for me. I think if there's potential for more units, that there is less incentive to go for the luxury market, but apart from that I -- actually in one of where's is part of where I'm interested in seeing what's coming back is, that having more folks living next to our parks isn't just efficient fiscally but that it makes for better parks. It stood out for me in our survey that we just got back from citizens that we -- we are a place where people feel safer in their parks than in other cities, but even still, it's a pretty low percentage.

[8:45:26 PM]

About only 60% of austinites said they felt safe in their parks and safe parks has to do with that being people in parks. Parks are only scary when they're empty, and when we think about the greatest parks in this city and all over the country, if I think of Boston common or Dolores park or, you know, zilker on a sunny day, they're wonderful when they're full, and figuring out ways to make sure that we aren't having people live further away from the parks we dedicate I think is a good thing for the parks too.

>> Mayor Adler: Okay. Anything else? Those in favor of this item, this item no. 58.
>> 58.
>> Mayor Adler: Those in favor please raise your hand. Those opposed? Those abstaining? It's unanimous on the dais. I would point out to staff that very specifically in this case it's not directional, so we're asking for staff to come back with recommendations for us based on what they learn in that -- in that -- in that process. That takes care of that item. The next item, probably we should -- we should call up would be the tnc item. I don't know whether ultimately there will be an mou in agreement for us to consider or not. I have a signed signature page from Lyft, who has agreed to an mou, and we're waiting to hear from Uber. And we'll proceed with the public testimony as because there are a lot of people that have signed up for this.
>> Mr. Mayor? Which items are we taking up?
>> Mayor Adler: We're going to take up -- I think there are bunches of them.
>> That's my question. Are we taking up all the tnc items at this point?

[8:47:28 PM]

>> Mayor Adler: Yes.
>> Tovo: Mayor, is that 2, 3, 16 and --
>> Tovo: And 59.
>> Mayor Adler: And 59.
>> Mr. Mayor?
>> Tovo: Just for the audience, 2 is the ordinance, 3 is the election, 4 is another ordinance, and 59 is the mou.
>> Mayor Adler: 2 is the ordinance to raise the ballot. 16 rather, not 19, is it 16 or 19?
>> 16.
>> Mayor Adler: 16 is the -- what I've been calling the innovation ordinance, the tnc ordinance. And then 59 is the mou resolution.
>> Mr. Mayor?
>> Mayor Adler: Yes.
>> Zimmerman: If we were to deliberate on 19, then that would leave tonight's meeting with only the tnc's left to do, right? But if we leave 19 hanging out there, it could be a couple of hours just for that one issue, right, for them to wait? Don't we have ten speakers on that? Item 19 has ten speakers signed up.
>> Mayor Adler: Does council have a preference whether we take the tnc's or the -- what first?
>> The tnc item had a time certain of 4:00. I would say that we should take that up first. And I would also ask that -- I don't know if it's appropriate to take 2, 3 -- take those all together. I would suggest to do the 2 and 3 first because essentially those dispose of -- might dispose of the other ones.
>> Mayor Adler: The reason I'm not really prepared to do that is some people's decision on no. 2 might depend on what the vote is on no. 16. So I think that they'll all be discussed at the same time, and I think it's important that the public have a chance to comment on them that way.
>> Well, I think they can comment on them if they signed up to speak, but --
>> Mayor Adler: Right. But before I vote on 1, 2 and 3, I want to hear the discussion on 16.

[8:49:36 PM]

Quite frankly I'd like to hear the discussion on 59 as well. We have several ordinances in the past in this council, we've taken them all together and we've called up the speakers. I don't see any reason to treat them differently.

>> Because I think in the past they've been a little more related, generally speaking, and these -- I don't see these as related. I see -- there's a lot of big changes with the ordinance. There's big changes with the mou, that we don't even know if there is an mou yet. I just -- I just don't agree they should be taken together.

>> Mayor Adler: I'm going to go ahead and do that. Ms. Tovo?

>> Tovo: I just want to ask a question of council member Garza. Did you have -- would you suggest taking them up chronologically then and allowing speakers to speak about -- about them as they signed?

>> Garza: That's what I would prefer.

>> Mayor Adler: I mean, I'm fine to take up the speakers in any order. I will start with 2, I'll take the speakers in 3 and the speakers in 16 and the speakers in 59. But for me, my decision with respect to 2 or 3 depends on the vote on 16.

>> Kitchen: Well, Mr. Mayor, I don't think we're talking about the order in which we're going to vote right now. I think we're talking about input. But the other thing just as a preface to that, I think that these need to be laid out, because I think there's a lot of confusion about what they are. So --

>> Mayor Adler: I think that's good point. I think that's a good point, and we'll lay those out then, those four things. Ms. Troxclair?

>> Troxclair: You mentioned you might need an executive session before we begin this discussion.

>> Mayor Adler: I think we could begin this discussion and do the executive session in a bit.

>> Troxclair: Okay. Mr. Zimmerma N?

>> Zimmerman: I'm still going back to item 19, because I could be in for a long, long wait.

>> Mayor Adler: Mr. Zimmerman are you suggesting that we take item 19 next?

[8:51:37 PM]

Is there anyone else that wants to take item 19 next? Okay. I think we're going to move to the tnc's first. All right? Does someone want to lay out -- someone want to lay out item 2? So what we have before us is the referendum, the initiative, petition. Initiative petition, having been validated, requires the city council to take one of two actions. It either adopts the citizeninitiated ordinance or it -- the initiated ordinance or sets the matter for an election. And those are items no. 2 and item no. 3. We don't have to vote to set the election, item no. 3, today. We can do that next week, but we do have to act today on item no. 2. Item no. 16 is an ordinance that would be a replacement ordinance to the December tnc ordinance that was adopted. I referred to this as the innovation ordinance, tnc ordinance. It is very similar to the petition initiated ordinance, except that it specifically allows for the city to do the thumbs-up or other peer-to-peer economy issues.

[8:53:37 PM]

The -- and a couple other changes. It's red lined and shown on the bulletin in a red-line form to the ordinance. I think that the advantage of that is that it -- I've -- I

personally have not been in favor of having a mandatory fingerprinting -- printed ordinance, and I would rather us, if the will of the council is to not endorse fingerprinting, for us to do that so that it's clear that the election in may, if there is one in may, is not about whether or not we have a mandatory fingerprinting requirement. And then the last matter is item no. 59, which is a -- memorandum of understanding or a contract between the -- in which the tnc's would enter, and it would follow the passage of the initiated -- the petition ordinance, but it would have these entities agreeing by contract to supporting a larger safety agenda in this city, which would include some of the safety incentives that were contained in the ordinance that we passed two weeks ago, and that's also been posted. Yes? Ms. Kitchen?

>> Kitchen: Just for information purposes, I believe that item no., let's see, 16, I guess it is, just has a placeholder posted.

[8:55:41 PM]

But that's just FYI. When I look up the posting it just says placeholder.

>> Mayor Adler: No. 16, if it's just a placeholder there, the bulletin board it was posted a couple days ago, I think.

>> Kitchen: Okay.

>> Mayor Adler: So that's been posted and made public. So the choice today for us is do we change the base ordinance that we passed in December? Do we pass the initiative us? And if we pass the initiative ordinance that comes to us, do we pass the mou, which would be an authorization for the manager to execute a contract between the city and Uber and Lyft and the other tncs that would provide things that go beyond what the initiative ordinance does. Anybody want to say anything else before I recognize the group? Okay. I'm going to go to the firstspeaker. I'm going to recognize Skylar Buffington. Mayor pro tem, would you take this, please?

>> Hello again. I'm a voting member of friends of Austin neighborhoods, and I've been driving with Lyft for the past year and a half. I live in the St. John neighborhood in district 4 and I appreciate the work you've all done to try to find consensus on this highly impassioned discussion. However, I'm concerned we keep trying to rally around a solution to a problem we don't understand. Here's the bottom line. No one honestly knows which practices used by various ground transportation providers actually make passengers safer. As much as ride trade platforms like Lyft and Uber want us to believe their best we don't know that's true. And as much as they want us to believe fingerprinting drivers is true no one knows if that's best yet.

[8:57:47 PM]

In December the transportation research board of the national economies of science, engineering and medicine completed their 18-month study, which objectively examined recent innovation and transportation such as bike sharing, ridesharing, car sharing, and microtransit. The 112 page report is a good read for anyone pondering modern transportation policy. Here are my two favorite experts. Page 64, driver background checks and ex-dotes are many but reliable data are few. Page 65, the committee was unable to find any careful empirical studies on the effectiveness of any of these methodologies with respect to passenger safety. Current practice, which strikes many as reasonable and prudent is not evidence of best possible practice. So here is an idea I think we can all get behind. Let's do our homework. Let's adopt the citizens ordinance today and save taxpayers over \$500,000 by some

estimates, and let's use some of that savings to commission a research study on the efficacy of the various safety mechanisms and ground transportation from an objective third party. Let's continue to show that Austin is a global leader in technology and innovation, including transportation, and let's prepare for the next time ride for higher rules are on the agenda by honestly doing our homework. If the results of that research shows that fingerprinting drivers is honestly the best practice for improving the safety of my passengers, I'll happily be the first in line to be fingerprinted. Thank you.

>> Tovo: Thank you, Mr. Buffington.

>> I have a question.

[Applause]

>> Tovo: Council member troxclair has a question.

>> Troxclair: Watches the report you mentioned whoa -- what was the report?

>> Tovo: It's from the transportation research board. Sorry. It's very lengthy. Trb special special report 319 between public and private mobility --

[8:59:49 PM]

>> That was done when in recently?

>> They released it December 11th, 2015. So why would we not trust the information in that report in who makes up that board?

>> So the national academies were created under president Lincoln. They've been around for quite a while. That board was composed of members from industry, from the government, a lot of different perspectives. And I'm happy to send you all the link to that study if you'd like. But it had had a wealth of perspectives in it, and their job was to analyze the issue and draw some sort of consensus out of it.

>> Troxclair: And the consensus was, there was no data to support the fingerprinting background checks is any safer --

>> There are none, whether it's better to know someone's gps location or go through a fingerprint screening or other safety mechanisms used across the ground transportation services.

>> Troxclair: Do you mind sending the information house? Thank you.

>> Kitchen: Councilmember, I will be happy to give you the studies we have cited before also, that talk about the 99.6% accuracy rate for fingerprints, and you can compare all those studies.

>> Troxclair: Yeah. I think what was interesting about this study is that a lot of times we have focused in on just one aspect, you know, of fingerprinting and we haven't looked at the total picture of what tools truly make passengers safest. And it sounds like this report specifically looked at the whole picture of ground transportation and what metrics we can use to ensure passenger safety.

>> And I really think it would be a great use of the city's funds to fund a study. Thank you.

>> Tovo: Thank you, Mr. Buffington.

[9:01:49 PM]

Our next speaker is going to be Laurie Felker Jones and she would be followed by Mike Burnett.

>> Hi. Thank you for the opportunity to share thoughts and for your leadership. I'm here today representing myself, although I believe many of you know that I have a

long history of advocating for good government and health and safety of Texas women through my roles at cavalry democratic women and on the city's Austin commission for women and through many other activities. I'd like to quickly thank all the councilmembers who stood firmly for public safety in this matter, and most notably councilmember Garza and councilmember tovo. I want to specifically laud the leadership of my councilmember Ann kitchen who has been charged as being somewhat a point of spear on this and who you should be proud of. And many of my neighbors in district 5 appreciate. What a doozy this has turned out to be; right? In the course of three months, a 9 to 2 vote to protect public safety has eroded because some allowed a false choice narrative and stinky threat of policy making into this debate. Did you tell I want to take a moment to remember what got us all here. A vendor in our city has advocated their responsibility to protect austinities from serious and well documented risks associated with their business model. The corporations have a business model that doesn't keep people safe. It is not the city's job to make things easier for them. With all the hubbub about who's bullying who, fake petitions, and how the city's petition was not backed by one, not one actual citizen, it's sometimes easy to lose sight of what got us here. But I want to remind us of the facts which immediately preceded this debate and are not in question. Tnc drivers were accused of sexually assaulting seven women last fall, in a span of four months.

[9:03:51 PM]

These awful incidents shake out to about one every other weekend, and that's just what was reported. Those reported incidents are the canary in the coal mine. The original ordinance requiring mandatory fingerprints is offering an important layer of protection, not only in this industry but many other industries that protect consumers. This best practice has not come under question. The threat to public safety has not decreased, and has not been resolved. Simply put, you got it right the first time. But now, because two vendors have chosen not to be good partners by voluntarily self-regulating their businesses to keep the public we allow them to serve safe, they have spent corporate money to force Austin to hold them accountable through a \$900,000 taxpayer funded public vote. It's a really tired old story, isn't it? We've now got to hold corporate interests accountable because they're prioritizing profits over people. It's like the city of Austin is being cast as the EPA stands up for water and Flint, Michigan, we must again be the sos to keep Barton springs clean and ultimately cast in the role of mean mommy on this issue, standing up for a poor billion-dollar business. I like Uber. I've used it. It's great until it's not. "Like my Uber like I like my blue bell ice cream. I want to enjoy its product without having to worry about it being -- putting me at risk for bodily harm. So it's not that unclear to me. It hasn't worked in San Antonio to have volunteer fingerprints. They're still in Houston that require this, and the drivers aren't going anywhere. So we've got to buckle up, put this to a public vote, and I really appreciate the steadfast leadership, and as a lifelong austinite, sometimes a mean mommy throws a fit.

[9:05:55 PM]

>> Tovo: I know you signed up, just to be clear, you signed up in favor of calling the election. Is that right?

>> That's right.

>> Tovo: Thank you very much. Mr. Burnett, you're next, Mike Burnett, and you will

be followed by Louise stritsinger.

>> I don't know if I ended up being pro or con. I don't know if any of you have seen this month's fortune. The central article refers to Uber as the 62 billion-dollar unicorn. And what that means, we have a company, that as they go public, will end up receiving somewhere in the neighborhood of \$62 billion in total asset evaluation. Having read this ordinance, I wonder why it is that a \$62 billion organization needs to execute a disconnect between its responsibility and liabilities for passengers and itself. If you go through, this is not listed as a transportation company. It is a software company. That being the case, you have to understand the business model does nothing more than allow you to pay the driver, who then pays the Uber service for their delivering passengers to the drivers, and with respect to this business model, that means that they've shielded themselves from liability because they don't offer a driving service. California has come along, they kind of got it right. They're trying to go ahead and reconnect these people and effectively make the drivers employees. It's not done because they like unions or because of any of the standard labor types of arguments you choose to hear. It's because they're looking to reconnect liability so that, instead of as this ordinance would have you do, one unfortunate drunk girl might get taken up to her dorm and have a problem, and then of course the corporate liability comes down to -- I believe the ordinance call the out \$500.

[9:08:01 PM]

So per crime, executed by one of the drivers, the corporation has a liability of \$500. And of course they want additional public support from the city. Of course they want additional free police information. And it works great for the business model. They pay virtually nothing, and they get lots of pr out of it. And, oops, if they make that mistake, it only costs them \$500. So with that being the case, I'm as sorry as I can be, but, you know, I've realized we're going to have to go to an election with this. I realize we're going to need to deal with this on that basis, and I really got up here today to say thank you, Ms. Kitchen. Humbly apologize for those who have decided you're to be the straw man on this, and I'd like to go ahead and play with the game, and we really appreciate your help in district 5 with this. Thank you for your time, ladies and gentlemen.

>> Tovo: Thank you, Mr. Burnett. Although is stritsinger. You'll be followed by Michael couch and both are signed up in favor of item 2.

>> I'm not used to talking so I'll be a little nerve nervous. My name is although is stritsinger. I live in south Austin. I'm not against fingerprinting per Se. It's a principle to me. So I'll go on with the whole thing. Why do some of the city council members want fingerprint being? Some of, I've never been shown any incidences of arrests between Uber and Lyft drivers not fingerprinted, and the cab drivers that are were fingerprinted across the united States. So why the big push? What is the purpose? For passengers' safety? No. I've not seen anything that shows non-fingerprinted drivers are more dangerous than fingerprinted drivers. So why the big push? And I feel it is -- I do not feel it's strictly with safety.

[9:10:02 PM]

I really don't. That's my personal opinion. On an off note, when the gentleman last time talked last week about how he has to wait a certain time to pick up riders, a minimum I

believe was \$55, I start thinking, instead of just looking at Uber or Lyft, why aren't we looking at all the ridiculous petty laws that have been put in place and start thinking sensibly for all drivers in all sections, whether it's cab drivers, limousine drivers, or what. But there's a lot of petty things that are out there. With all the talking about the share drivers not being fingerprinted, I do not believe there has been a decline in riders, either, by Uber and Lyft. My husband and daughter both drive, and the riders do not care if the drivers have been fingerprinted. They just prefer not to ride in a cab and prefer Uber and Lyft. Cab drivers, I understand, will not do short trips. They do not do long trips, either. And riders prefer Lyft and Uber. My husband and daughter have water for the riders, mints, and even barf bags for those who celebrate too much. My daughter drives to San Marcos and she said the students talk to her as if talking to her mom. They have 15 minutes they can get things out of their system that they can't talk to their mother about. You are giving Austin a bad name by saying that the only way you can prove Austin drivers are not dangerous is by fingerprinting, when the rules of use have worked in many other towns. Is Austin such a dangerous place that you're portraying the drivers are? My daughter talked about some of the regulations that are trying to be put in place and these are what she's upset about. I do not know all those fine, technical things at all. And actually, she doesn't care one way or another about fingerprinting. She said I'm fine with it, but it's just the principle of the whole thing, that it's being forced. Why not look at all the regulations that are in place for everybody and make sensible rules for everybody? If you can show me that statistically the drivers without fingerprinting are dangerous and Austin drivers are more dangerous than any other city, then we'd have food for thought.

[9:12:11 PM]

I don't know why --

[buzzer sounding]

-- This bully stuff came up. If anyone is bullying, it's the city council. They can decide without any regulation if the people of Austin want it or not. It doesn't make how much Uber makes, they are not the ones that make the rules. And by the way, when I talk about how much the people want Uber, I'm not even talking about the 65,000 signatures. I'm thinking about the hundreds of riders every day that prefer Uber and Lyft over any other ways of transportation. Besides, I understand there is a drop in wis also.

>> Tovo: Thank you. Councilmember kitchen.

>> Kitchen: I'd like to take this opportunity. I want to thank the previous speaker for bringing up the question about other ground transportation, and I'd just like to bring up this opportunity to say that I'll be requesting that our staff come back to us with recommendations about -- about looking at our other ground transportation rules and requirements. We've been talking for a long time about how we wanted to look at a more equal or equivalent playing field, so to speak, and so I'll be asking our transportation department staff to come back to us and I would invite other councilmembers to join that request, to come back to us with recommendations, taking a look at the other rules that we have in place for ground transportation.

>> Tovo: Thank you, councilmember. Our next speaker is monte couch. Monte couch will be followed by Nicole red ler, and then Sarah Abraham.

>> Hello. My name is monte couch. I just started driving for Lyft for the last three weeks. I got laid off in December, and I'm using this as a way to compensate and support my family while I go back to school.

[9:14:18 PM]

Out of all the drivers I've picked up, a hundred plus, they all prefer Uber and Lyft. And it gets the drunk people off the roads. And everybody prefers it.

>> Tovo: Thank you, Mr. Couch. Nicole Redler, Nicole Redler, Sarah Abraham, Megan Olson.

>> Hello, city council members. My name is Nicole and I live in district 5. I stand here today asking you to look at the issues from the perspective of the 65,103 people who signed the petition, to reinstate the original rules of ride sharing. Over the past several months, council's discussions have centered on public safety and the additional rules and regulations you believe are necessary to make ride sharing platforms safe. I'm concerned that these discussions all start with several misconceptions. Transportation network companies have already presented you with an answer to a serious public safety epidemic. Drinking and driving, an epidemic that was only getting worse year to year, has dropped by 18% since our community was given more options. Tncs have already helped us achieve a significant increase in public safety. In regards to sexual assaults, I agree that one is too many, but there is a much higher risk of being sexually assaulted when left stranded in the entertainment district late at night without a safe, reliable, and affordable ride home. And also statistically, more likely to be sexually assaulted in a cab than in a tnc. I am still unsure of how fingerprinting is seen as the public safety solution when the Numbers show that it clearly is not the case. Tnc companies already provide innovative safety features that we should use as our model. Realtime gps tracking, high tech driver identification, and their own extensive background checks.

[9:16:25 PM]

Instead of spending money on pushing antiquated forms of screening on new companies, we need to embrace new ways of enhancing public safety and dedicate our resources to educating citizens on how to keep themselves safe in high risk situations. Please listen to your community and adopt this petition today. Thank you.

[Applause]

>> May I ask a question?

>> Tovo: Ms. Redler, you have a question from Ms. Troxclair.

>> Troxclair: I don't know if she's still here, but one of the earlier speakers said, since you brought up the citizens petition, one of the earlier speakers said that not a single actual citizen signed the citizens petition. Did you or someone you know sign the citizens petition?

>> I'm sorry they said that no citizens actually signed the petition.

>> Troxclair: Yes.

>> That is news to me. I signed the petition. You as well did sign the petition. I was lucky enough to validate your signature on the petition. Also, I was out there canvassing with -- for the petition, and I had many, many people that live in the city, my roommates who live in district 5 as well sign the petition.

>> Okay. Thanks.

>> Tovo: Councilmember patrol troxclair I mean Zimmerman.

>> Zimmerman: I signed the petition as well. I appreciate your work, too.

>> Kitchen: You know, it's going to take us a long time if we -- thank you very much. I just want to say the previous speaker did not say that no citizens signed the

petition. So I believe she was talking about who brought the petition forward. So I would just ask that we be a little more precise or we're going to be here all night.

>> Troxclair: I am sorry if I misquoted her but I remember her saying that not one single citizen signed the citizen's petition. R. That's what I heard so I'm sorry if I misunderstood that.

[9:18:32 PM]

>> Tovo: Okay. Sarah Abraham? Abraham? Megan Olson? No Sarah Abraham, no Megan Olson? They signed up for item 2. Samantha Phelps? And Samantha Phelps will be followed by Jackie Harris. Is Jackie Harris here?

>> Good evening. Thank you for listening to all of us speak with you today. My name is Samantha Phelps. I've been citizen of Austin for five years. I work in the entertainment industry as a talent buyer and publicist, but I have supplemented my income for five years as a bartender so my hours are very late. I usually get out of work at 3:00 A.M. If I'm lucky, at 4:30 on the worst of nights, unfortunately. I rely heavily on Uber and Lyft and other tncs to get home, but also to ensure the safety of women that are alone at the bar late at night. I can track their progress home with the gps and the apps. I can make sure that I've put an accurate address into the apps for them to get home, and then I get a message which they have been dropped off at their door. To me, that is intense security. It feels great to know that I'm getting another woman home by herself without having to leave work, without having to call a cab, without having to wait for a cab for 30 to 40 minutes at the end of the shift. That alone is my personal experience with tncs, and I feel that they are an invaluable resource here in Austin. Not to mention that we are very limited on our late-night public transportation options. The train does not run until 3:00 in the morning. The night owl buses do not serve all neighborhood. I feel that restricting the tncs is very short sighted and will eventually lead to individuals returning to driving their cars and increased DUIs and all the risks and accidents that we face right now.

[9:20:41 PM]

Thank you.

[Applause]

>> Tovo: Thank you. Jackie Harris? And if you're the next speaker in line, if you'd come up and be ready to speak at the next podium. So Samantha -- let's see, we just had Samantha Phelps, Jackie Harris, followed by Mike beady. Mike beady, are you here? Okay. Tina nap then will be the next speaker. Is Tina here? Jeremiah Murphy. Okay. So Ms. Harris, you have threeminutes. Thanks for being here.

>> Good evening. My name is Jackie Harris. And I live in far east Austin. I am a retired ten-year city of Austin employee and enjoy the Independence and flexibility of driving on ride sharingplatforms. One, the weekly pay helps supplement my monthly income as I have not received a cost of living increase since retirement in 12 years. I collected signatures in support of ride sharing from riders, many church members, convenience store and restaurant patrons, and other community members who care about these services. Councilmembers, I urge you to listen to the community and adopt the petition in front of you. While helping visitors and citizens of Austin get around town, I have seen that Uber and Lyft are enhanced, affordable ride sharing programs that offer efficient and safe rides and reduce traffic. It's a technology that responds to the demands, growth, and expansion of the city and its riders. The service is effective

in getting riders to and from work, offering but not limited to providing transporting to and from special events, conventions, transporting business professionals, personal riders, and reducing waste, and saving lives, along with providing a personal touch and response time in just minutes in matters.

[9:22:58 PM]

Most importantly, ride sharing is already safe. Uber and Lyft monitors its partners, drivers, and locations, knowing when and where the drivers and riders are during the trip's progress in process. Riders greatly appreciate the service and its dependability, nice, clean cars, the knowledgeable and customer-friendly drivers. Many feel the city of Austin and its citizens, along with the visitors, would encounter a next-generation mobility set back, should the service be disrupted. Please listen to your community and adopt the citizens' petitions and keep safe and affordable transportation options in the city of Austin. Thank you.

[Applause]

>> Tovo: Thank you. Jeremiah Murphy. And you'll be followed by Lisa Hill. After Lisa will be Hya Salavatz.

>> I'm a first-time speaker here at the council, and I want to thank you guys for working hard on this issue. Traffic and safety is very important. In fact, I can remember it being so important here for the last 25 years, and still hasn't been solved yet. In fact, since I was a boy it's been a big issue. I grew up in the east side of Austin, district number 3. And the vital part of my childhood was using public transportation, so I've been using it for more than 20 years, including buses, taxis, recently the rail, biking. Every part has been vital for my transportation in Austin. In fact, how I got started with Lyft was because my wife was transitioning jobs, and it was -- that was the first time I had to drive in order to assist in paying bills, to support my family while she was transitioning in careers. And it was a great opportunity I learned about Lyft.

[9:24:58 PM]

I was able to support my family and get us through those uncertain times. In addition, Lyft also has provided me a way to reconnect with the community. Austin has grown so big, there's so many new restaurants, new shops, new places to visit, and it's a community that you build. Each time I give a Lyft ride or ride in a Lyft, I make a friend. I learn about a new place. In fact, during south by southwest, I was able to eat at Franklin's barbecue for the first time because of a rider. I took them there and they were offering free barbecue to Austin residents. That was Austin. I found a coffee shop on 7th street, they have great service, great people, now I'm a regular. It's a local shop, now I'm a regular attendee there to drink coffee. And that was from another Lyft rider. So in addition, I met a cool guy there named Mike, a friend ever friend. He's a performer here and I'm able to use that Lyft service to take me and my wife out to enjoy the entertainment district and I don't have to fear for my safety, wait out in the cold for a cab, worry about the bus time and bus schedules, and it's just a great, affordable way for me to get around in the city of Austin. I want to say that the technology has really improved, and it's because of the competition that Uber and Lyft bring. If we limit the companies that can compete here in Austin, we're going to limit the services that potentially are offered, increasing prices, and decreasing the ability of the citizens here to use the services. And as we know, housing prices -- you discussed many issues today, including housing prices, traffic. Lyft and Uber provide a

great way for the citizens of Austin who are not rich, who are not wealthy, to have an outlet to make money for their families, to support their families, to be confident, in getting around the city of Austin, flat tires, it's an affordable price. It's because of the competitive marketplace.

[9:26:59 PM]

And so for that reason, I'd like you guys to adopt the petition that the citizens signed. Thank you.

[Buzzer sounding]

>> Tovo: Thank you. Lisa hill. Lisa hill? Okay. Hya? So Lisa hill signed up for hya signed up against. Victor? Victor masyra also signed up against. Matias galtro. Matias galtro signed up neutral. Tom Smitty Smith. Mr. Smith, you will be followed by Emily Smith.

>> Good evening. My name's Tom Smith or Smitty around I'm here as an individual tonight. I want you to vote to put this on the ballot. It's going to be an expensive fight. But sometimes you have to stand up to the bullies. I'm in favor of tnc type operations. I'm in favor of new technology. I'm in favor of contributions -- or not contributions, of competition and getting people the cars they need to get them home as fast as possible. But most important, I'm in favor of safety. And as a Tom Smith, I know that when you go in and you give your name as Tom Smith and they run your background, you could be any one of the 17 Tom Smiths in Austin, Texas. As a Tom Smith, I frequently get badgered to pay bills for one of my worthless namesakes, or, you know, there are Tom Smiths that are bad guys. Then some of us are good guys. But just putting your name in that computer, you could make up whatever background you wanted. And if you had committed a crime more than seven years ago, nobody would know.

[9:28:59 PM]

What this is about is making sure you have the tools that have been developed more than a hundred years ago to make sure that the identity of that person who's driving you home is who they say they are, and that they don't have a criminal record they're hiding. That they will tell the truth and they will fear that if they don't tell the truth, they're going to get caught. And what's happened here is that they're picking on Austin, because of our high tech buzz and everybody comes here because they want to go be at conventions and listen to the music here. And they know that if they beat this ordinance here, they can beat it anywhere in the United States of America. What this is, is about hiding the source of the money behind these campaigns that are out there canvassing. I've report about \$28,000 in expenses. When I did the math, it's well over \$100,000. And it's going to keep coming and coming and coming. And what's next? If you knuckle down and you give up and you let them win this battle, who's going to be in here next? The builders of tiny houses, saying if you don't do exactly what we want, with this particular piece of ordinance, we're going to put a petition drive together and we're going to take you and we're going to -- we're going to have an election, and we're going to beat you again. What this is about is the same kind of thing that's driving the kids all over the United States to support Bernie Sanders and say it's time to get corporate money out of our elections system. That's what this is about. And that's what they're trying to do to you, is to use corporate money to beat you down. I know every one of you. You people have all stood up for what's right time and time again,

and have not been afraid to take on bullies.

[Buzzer sounding] And this is another opportunity for you to show the strength that has caused you to be elected because people wanted you to protect the citizens of the city of Austin. Thank you very much.

[Applause]

>> Tovo: Thank you, Smitty.

[9:31:01 PM]

Ms. Smith? Followed by -- I'm sorry. Next up will be Boone blocker.

>> Thank you guys for your time. I'm also a Smith. My background check didn't get mixed up because they go by social security number as well. Helps narrow it down a bit. I apologize if I'm -- I faint, honestly. This is really intimidating to me. I'm a ph.d. Student at the university of Texas. I also have a chronic disability, severe pain that keeps me from working in a lot of jobs that I'd like to do, but driving I get to work my own hours. And the question I always get in the car is, aren't you scared? Do you carry a gun? What are you going to do? I was like, well, I feel safe for the same reason I feel safe as a passenger. There's gps tracking me. I get a photo of the driver. I get their license plate number. I don't get that with a cab. Yeah, they've been fingerprinted but I have no guarantee their fingerprinted person is the same person driving the car. There's no point of contact confirmation unless you want us to scan our fingerprints as we get into our car to drive off. Other than that, anyone can be in it with a taxi. And I've stopped using taxis, one because Lyft and Uber are cheaper, but also because I trusted them. I knew the gps was on. And as a woman, it hurts me and disappoints me so much that we have created this false argument that this is about safety at all. That anyone would use the threat of rape to try and pass this. That they would use a woman's sexual safety to try and pass something that would do absolutely nothing to prevent it. Chief Acevedo even came up and spoke that any of the allegations that have already been made would not have been prevented by a fingerprint background check, and if fingerprint background checks were effective, the sexual assault rate would not be higher in taxicab drivers. And you've already been presented with that data. So I don't know where this argument is coming from. And that deeply satins me because I am a liberal, idealist, and I don't know why you guys are doing this. Because especially as women, I want to believe that you actually have safety as a concern.

[9:33:05 PM]

But that's not what these choices represent. The only choices, the only thing this represents is protecting the taxicab franchises. Not the taxicab drivers. They were here two years ago, fighting for some protections with the exorbitant please fees they have to pay. There was a study in 2010 that they were averaging \$2.75 an hour, the average driver working 12 hours a day, 6.5 days a week, to earn an average of \$200 a week. This is not about Uber and Lyft. This is about protecting the established -- the established service, and that does not benefit any driver, Lyft drivers, Uber drivers, you can throw get me in there if you want, we're all getting screwed. Taxi drivers, especially. At least I get to drive my own car. This isn't about safety. The data doesn't show that. I don't know what it is about at this point. But this system needs a serious look at, and using sexual assault, pretending this is about my safety as a young woman that lives in Austin that uses the services --

[buzzer sounding]

>> -- That's important. Thank you for your time.

>> Tovo: Thank you, Ms. Smith.

[Applause] Welcome, Mr. Blocker. After Mr. Blocker will be Jim Nash and then Lisa Harris.

>> Hello. Thanks. I am willing to talk about any tnc item, but I really want to focus on the accessibility piece, and whether we are enjoying the longhorns or taking in a show at the paramount, dancing and singing at the acl, doing everything that south by southwest has to offer, attending services at the greater mount Zion Baptist church, crystal ray, jogging along butler trail, shopping, eating along south congress, all of these activities begin and end with transportation connections.

[9:35:12 PM]

And these connections enrich us as a city and as a people. We learn from each other. We interact with each other. And Austin is built on being creative and innovative and inclusive. However, for many years the accessible transportation service in this city has been abysmal. And it was under those circumstances that Uber access was created. And Uber access is the greatest advancement for accessible public transportation in Austin in the last 20 years. That's not hypobole, that's the fact. Austin is in a great position to leverage that momentum. It needs to be made stronger, but when that takes place, Austin will have the most accessible tnc climate in the country, and that's something that we can really be part of. So I hope you're all -- thank you for all your leadership, and hope you take those words under consideration.

>> Tovo: Thank you, Mr. Blocker. Jim Nash.

[Applause] Is Mr. Nash here?

>> Yes, I am.

>> Tovo: Okay. Welcome, Mr. Nash. Again, next up is Lisa Harris and then David king.

>> My name is Jim Nash. I am a coordinator for -- sorry, I'm political. I'm very happy with what happened in New Hampshire. We came in second. I've heard a lot of missed information here. I do drive a taxicab. I'm a taxicab owner. I have lived in four cities. I have operated taxicabs in all of those four cities. I have -- the one thing that irritates me about Austin is that taxicab drivers and Lyft drivers do not have physical examinations.

[9:37:15 PM]

They need to have physical examinations. They need to be drug tested. Every other commercial driver in this state is drug-tested. In case of an accident, all commercial vehicles in the state of Texas must have fire extinguishers. There are huh-uh no fire no fire extinguishers in Lyft or Uber vehicles. I welcome a reputable organization coming in and doing it. As far as misnomer about cab drivers do not go and pick up, I travel two and a half miles to pick up someone, there's a gps on my vehicle, I've got my id that is clearly seen by everybody who gets in my vehicle. I do not -- I drove to Killeen, Texas, the other day, took a soldier up there who was going to Korea, god bless him. Before that, I took a woman out to cedar creek. And then I took a woman home who was screwed by another cab company, but turned around, she only had \$11 to get all the way down to William cannon. I ran to meet her and with her \$11, I helped her with her groceries. That's what we do. As far as helping paraplegics, every cab company has wheelchair vans. How many wheelchair vans does Uber have, how many does

Lyft have? And I want to see Uber and Lyft and every cap company in this city obey the state law on commercial drivers. I want to see everyone get a physical examination. And I want to make sure that we do not have drug-induced people driving vehicles. We had a problem. I'm just going to add this, I observed a vehicle in Nashville, Tennessee. And in Nashville, Tennessee we discovered a bunch of drivers. Oh, they were passing the drug tests, which they have in Davidson County. They were passing the physical exams.

[9:39:15 PM]

We found out they were stoned. They were stoned on a drug called cot. How many drivers -- we do not have physical examinations of every driver of a commercial vehicle. FedEx has got to have a physical examination. All the drivers, all the drivers driving for the MV and other companies in this town, they've got to deal with it. So let's get everybody drug-tested. And, yes, I want to see everyone have a commercial permit and fire extinguishers in every vehicle in this city.

>> Tovo: Mr. Nash, you signed up against item 2. I don't know if you signed up on another issue as well. Are you in favor of an election or are you signed up against --

>> I am in favor of an election. I want to see what the people of Austin say. One more thing, some woman came on my block and started telling us that this was -- this petition was going to ban -- this petition was going to ban Uber and Lyft. And I live in la casa, down in south Austin. And everybody on my block told that woman to leave because she was lying. They lied about the petition. It's not true. And I think Mr. Zimmerman, she recused herself from having -- with Ms. Troxclair.

>> Tovo: Okay. Thank you, Mr. Nash. Next is Lisa Harris. I don't believe she's been here. David king is next. Is David king still here?

>> He doesn't want to speak.

>> Tovo: Oh. I apologize. So Lisa Harris was signed up against. David king was signed up against. James Casey was signed up against. So that brings us to the item, the folks who signed up for item 3, which is to approve an ordinance ordering a municipal election to be held on may 7th, 2016. So our first speaker on item 3 will be David butts.

[9:41:19 PM]

Mayor, we have some people who signed up on both. I assume if they've already spoken, they had their one shot. Okay. So Mr. Butts, you are the only speaker on this item.

>> Okay. Well, just so it's clear, I believe we should have an election. And I would welcome that opportunity, to have one. In another lifetime, I was going to be a history teacher. And looking at the experience that's gone in the last three months in this city, as that famous baseball sage once said, it's deja Vu all over again. I'm not sure if we're ready to revisit the guilded age. I have to wonder in the future, are we going to be basically looking at piecemeal work, tenement houses and child labor? If you're going to allow a corporation to basically dictate the law that it's going to operate under and just appraisal stomp our government into the hole, then that's exactly what you're headed towards. Because there will be more of these operations coming forward. We have basically billionaires, hedge fund managers, who's opportunities to make vast sums of money. And quite frankly, they don't care. And let me assure you, I'm all for Uber and Lyft being here. I think they should be here. I think it's a great innovation. The issue is,

is the city going to basically dictate, or -- is the corporation going to dictate the rules by which they operate when it comes to public safety? If you're just going to aggregate responsibility and allow corporation to basically decide what they'll do and not do, then we're going to be basically seeing more corporations coming. I think that -- you know, what are we going to have next?

[9:43:19 PM]

Restaurants decide -- they ban together and decide that they don't want health inspectors? We'll take their word for it that that chicken that they let lay out there for too long was -- it really didn't lay out there that long. Or build construction? Maybe with construction we don't need building inspectors. We'll just take their word that they put enough rebar in that concrete wall and that they attached those roofs to the sides of the buildings, like they did not do in north Texas in many of those schools, and after they were hit by tornadoes, then they discovered how shoddy the construction was. So, basically, you know, it's a question of, are you going to work for the citizens of Austin, are we going to allow a corporation to come in and decide how we're going to do our business here? I know where I stand. And I, quite frankly, am prepared to fight if that's what it takes. And I think once people understand the kind of duplicity that this corporation, Uber in particular, is operated under, sort of what I call the old lie and buy technique --

[buzzer sounding]

-- Misrepresentation, I think we'll have an interesting campaign. I know they're going to spend a lot of money. They keep talking about it.

>> Tovo: Councilmember Zimmerman.

>> Zimmerman: Thank you, Mr. Butts, for coming. Your reputation precedes you. I really appreciate you coming and chiming in on this. But I've got to ask, if we go to an election and the vote is in favor of the tncs, it seems that all the allegations you just made about the corporation bullying the city council and buying its way, wouldn't you repeat those same accusations, or would an election where the people would be heard, would that be the people, or would that still be the tncs talking?

>> Well, obviously, you know, someone once said that you can always convince some people to vote for you if you had enough money behind your argument.

[9:45:28 PM]

And no doubt these people will have plenty of money behind their argument. That doesn't automatically mean that this issue won't be revisited. If it passes in two years, I promise you, you will be back here addressing some of the serious problems that may have arisen.

>> Zimmerman: The reason I bring that up is just a few months ago, we had a big election about a downtown courthouse. Out of town corporations sent in tens of thousands -- hundreds of thousands of dollars of corporate money to try to buy the election for the courthouse. My pack spent \$3,000.

>> Right.

>> Zimmerman: And we won. And you know what the accusation was? The accusation was, democracy was not served.

>> Well, I didn't say that, sir.

>> Zimmerman: Okay. Well, anyway, I'm with you. I want --

>> I agree with you, I think democracy was served. The voters spoke very loud

and clear on the courthouse. Only by a thousand votes, but it was still a majority. So I accept that, you know.

>> Zimmerman: I commend you for that, I would like it to go to an election as well. Let the people be heard on this.

>> Sure.

>> Tovo: Other questions? All right. Thank you, Mr. Butts. So now we're going to call the speakers from item 16, and we have just one citizen signed up. That's ed cardbo. You have some sometime donated to you. Diane Reese. Is Diane Reese here? How about Lauren geta?

>> I'm here.

>> Tovo: Okay. Mr. Cardbo, you have six minutes.

>> Good evening, mayor, mayor pro tem, and councilmembers. I've got a presentation --

>> Tovo: Mr. Cardbo, for some reason, either your microphone is off or you need to stretch it.

>> I'm waiting to the presentation to get set up here. Good evening to all of you, and thank you for your time.

[9:47:30 PM]

>> Tovo: So it looks like Mr. Cardbo will be our last speaker here this evening. Doesn't it look as if we have anyone signed up for 59 who has not already spoken. So if there's anyone in the chambers who I inadvertently skipped over or who wanted to speak on one of these items, if you would let the clerk know. Otherwise, we'll be done with speaker comment on the tnc items.

>> Thank you all very much. Good evening and thank you for your time. Thanks for the amount of attention that you've paid to this situation. I just want to start off by reading a quote from a very wise man. Ask not what your country can do for you. Ask what you can do for your country. And I think it's important that that be the mindset which we take as we discuss these issues. This ultimately is about choices, and it isn't ultimately about safety. I know a lot of the narrative has been about safety but it's about choices that we make as a community and the policies that we set for corporations that choose to operate here. So what do we want as a community? I keep hearing about the 23,000 people that signed the petition that was submitted and validated, but last I checked, there were nearly 700,000 voters in the city of Austin. So that pails in comparison. It sounds like the majority of people are asking for this issue to get sent to an election, and you hear a lot of people saying that they will not stand up for a corporation dictating public policy by buying what rules they want. And so I want to introduce some of the people and the names and faces behind the companies that choose to operate here. I don't know if you're aware of Dr. Bertha Sadler means. She is the matriarch of Austin cab company, has done many great things in this community for many, many years.

[9:49:31 PM]

She has a school named after her in aid. I challenge myself to live up to the work that she's done. We challenge ourselves at yellow cab to try to contribute to the community in the capacity that she has over the course of her life. We got a generosity award in 2014. We are engaged and participate in school matters here in town. Operation blue Santa. Various other issues that are specific to the city of Austin

that we give well over six figures back to the community because we live here, we give here, and we work to enhance and bolster Austin as a community. There's one picture you see there, we have visually impaired call takers that work at our call center, and it's funny to me because we don't necessarily deliver puppies so that people download our app so that we can capitalize on that. We actually really give rides to people who are visually disabled and need the service, and it's -- I think it's very public knowledge that one of those drivers and both the company are being sued for drivers putting service animals in the trunk of the vehicle. So we're talking about choices between the type of companies that we choose to do business with here in Austin. A little bit more about the names and faces behind the companies. Joan Cabele, I'm sure you're aware of the school, names means, first black athlete at the university of Texas, has chosen to stay in town and provide services to this community. Ron means used to work in law enforcement in this community. I think he was the brains behind the idea of starting the cab company on the east side of town because people on that side of town could not get service, would not get service, would not get picked up. Solomon Casa with Lone Star Cab, used to be a cab driver, got together with a bunch of other cab drivers, created another third company and franchise in this town to serve this city. These are some of the faces behind, you know, companies that are not here, are not represented here, do not represent this community, who see an opportunity to extract money from this community, but also want to dictate to you what policies you enact for the people that actually live here.

[9:51:49 PM]

Things that Uber won't agree to. They won't allow their drivers who 90% of which say they will be fingerprint background checked, to actually volunteer to be fingerprint background checked. They won't require equal access to passengers who need accessible vehicles. They won't allow for a consistent rate structure that allows for their drivers and the passengers -- drivers to earn a living wage and riders to have, you know, a consistent rate where they're not being price-gouged by surge pricing. Transparent insurance for drivers. I don't know that many of the Uber and Lyft drivers actually know that the law kicked in in January that requires a different type of insurance in the state of Texas, and they are stuck with that exposure and risk based on what they're not being told by Uber and Lyft. So the issue is not, you know, -- is it safety, this, that or the other. The issue boils down to, you have companies here that are willing to contribute to your community, follow the rules. We could have broken the laws years ago and flooded the streets with drivers, but we've always engaged in the process appropriately and have never taken money that, you know, we have to then try to bully this council to force you into doing the things the way we see it. When the city asked us to add more wheelchair accessible vehicles, we were happy to do that. Uber and Lyft -- I mean Uber access may be the greatest thing since sliced bread. Put it in writing. Commit to it. You know, tonight they settled a lawsuit to the tune of 28 and a half million dollars in California expressing that they have been misleading people about their background check. That just happened tonight. So there are many things that we are willing to do they're not willing to do, and I think it's important. I will close by saying let it go to the voters. Let the voters decide. You hear people say they want to make the decision.

[9:53:57 PM]

When capitalists go unfettered, you end up with some examples you see here on this board, and that's not what we want for Austin. Safety and service equal success. Austin doesn't need automobile. Automobile need Austin. Let the voters decide what kind of companies they want to do business with and who they want to be doing business with in Austin. And I think as this goes to an election and people are informed, you will see that there's support for not letting corporations dictate public policy.

>> Tovo: Councilmember Zimmerman.

>> Zimmerman: Thank you. Same question that I'd like to ask you. So we go to the election. If the vote comes down that the voters decide to go with the petitioners' tnc ordinance, will that settle the question? Will you still say the corporations are buying in election, democracy isn't served, or would that secretaries the issue? I wouldn't presume that. If we were really talking apples to apples you would present an ordinance that a small subsecretary signed a petition, some knowing what they signed, some not knowing what they signed, the mayor has said you could also potentially present a charter item to go up against that where you say this is what Uber and Lyft are offering. This is what the city is requiring, where you spell everything out and you have both of those choices available, then if the voters decided on the ordinance that they're presenting, you would be able to make that case. As you well know, politics is a very, very nuance thing, so, no, you're not presenting both choices, so, no, you can't make that decision.

>> Zimmerman: I'm going to take that as a no. Thank you.

>> Tovo: Other questions for this speaker? Okay.

>> Thank all very much for your time and consideration.

>> Tovo: Again, I believe that was our last speaker. Is anyone else -- did anyone else wish to speak who didn't have an opportunity to do so? Okay. Mayor, I believe that concludes our speakers on 2, 3, 16, and 59.

[9:56:01 PM]

>> Mayor Adler: I would like for the council to go back into executive session for about five minutes, ten minutes. If there's not an objection to that, then we'll go on back to the room. Thank you.

>> Zimmerman: Mr. Mayor? I'm sorry, I promised to object to the executive session. Maybe you weren't here but I do object so I'd like to have a vote on whether we go %-@[to executivesession]%-@[executive session],,,,,,

[9:59:26 PM]

[executive session]

[10:23:15 PM]

>> Mayor Adler:

[10:27:13 PM]

>> Mayor Adler: Are we ready to reconvene? We're out of closed session. In closed session we took up and discussed legal matters related to items 16 and 59. Is there a motion to extend our meeting past 10:00. Mayor pro tem moves, seconded by Ms. Garza. Those in favor please raise your hand. Those opposed?

[Laughter] Gallo, kitchen and troxclair voting no. All right. I'm going to call up first the initiative ordinance to be considered. Item number 2. I'm going to talk first. This is where I think we are on this. I think that there are lots of issues, emotional issues, that are related here that this calls in play. This began as a effort to look at tncs, to look at how we do grand transport, the issue turned to one that talked about safety, and I think safety became the focus. And within the safety conversation the focus turned to whether or not we would have fingerprinting of drivers. We took a vote in December that, I think, was incomplete. It was kind of ambiguous. Used the word mandatory but still allowed drivers to drive without fingerprinting and there were any measure of enforcability was taken out. And we discussed at the time that we would have to come back in January and address those issues. In between coming back then in January, obviously we had a petition drive.

[10:29:19 PM]

My personal belief is that most of the people that signed that petition thought they were signing a petition to stop mandatory fingerprinting so that Uber and Lyft would continue operating since Uber and Lyft indicated, after the passage of that item in December, that they were concerned that it called for mandatory fingerprinting, and if that's what it was and went into effect, they were going to leave. For me, there are two safety considerations, and we've talked about those before. We've had our public safety people tell us that fingerprinting augmented to a background check makes it safer, in part because of the biometric link and in part because it helps with post incident investigation. Our public safety people have also told us that having Uber and Lyft on our streets significantly brings safety with respect to getting drunk drivers off the road. I have been in search of a solution, and I object to -- that I object to having called a compromise. A solution that would best help us achieve both of those safety goals, having Uber and Lyft or ride share at scale, which means we need a lot of ride share drivers and also at the same time having a lot of them being fingerprinted. So we worked with a lot of people who testified against each other back in December, including safe place. And I appreciate the time of them visiting with their board and backers and having Kelly white working with us at the table. Some of the ride scout folks, ride share -- ride scout folks and others, trying to figure out how you could in fact achieve both those.

[10:31:26 PM]

And we came up with a comp -- the idea of doing the kind of the badge program to actually take a look at how regulation may need to work forward in a peer to peer kind of economy, and that those kind of regulations don't always look the way regulations looked like in the past. We came watch system, I think, that's real exciting and I think can help us drive in a constructive way a really high percentage of fingerprinted drivers. By using incentives as opposed to regulation. But we have this initiative ordinance now that tells us that we either have to adopt the ordinance or it goes to an election, maybe it gets elected and it is a reasonable but not only, but a reasonable, legal interpretation that with the adoption of that initiative ordinance either through our action or through an election that we are precluded from being able to adopt ordinances in the tnc realm for two years and thereafter only with a super majority. I think that adds concern to whether or not we can hold on to the badge ordinance. Certainly, it means that we could be battling it over in court. If we end up

without the badge ordinance and we end up with tnc drivers operating a lot, then we won't have achieved that safety measure. And I think that would be -- would not be good for our community. I think that there are lots of different ways we can look at safety and the products that people use that they use to differentiate themselves, and I appreciate that in our environment, but with respect to fingerprinting I think we found a path for that except for the fact that we might lose it if we vote for the initiative.

[10:33:29 PM]

If we go to an election and it passes, we might lose it, and I -- and I am -- I believe that when we hear from the safe place people say "Don't lose the badge, work with Uber and Lyft and see if there's a way to save that where they won't oppose that, see if you can get that done." So we started then working with the companies. We have now an agreement with both Uber and Lyft that's signed by Uber and Lyft that -- that we have that says that if we adopt the initiative ordinance, that they would enter into a contractual relationship with the city as posted on the bulletin board that would enable the badge program to continue forward. I'm not sure I've ever seen an agreement from these two companies the way that we have one now available to us. The outcrop of this is that we could actually have on sixth street or other areas an area where only fingerprinted tnc drivers would be available, which meant that anyone walking out of a bar or down the street wanted to have a fingerprinted tnc driver, they would have a place they would go to where everybody would be that. They would also have a place they could go to if they preferred the technological safety features that are in Uber and Lyft. They could make a choice. And when we began this and we were talking about badge, all of us used the word "Choice" a lot. We wanted people to have a meaningful choice of a fingerprinted driver.

[10:35:30 PM]

And I don't know how you make that choice more meaningful than to have the opportunity for -- to make the choice, to have areas where you can go to a fingerprinted driver only. The fact that we have two companies that are entering -- willing to enter into an agreement with the city, I'm appreciative of, and I -- and I can't -- I don't understand -- I don't know how we wouldn'ting anything but willing to let -- wouldn't be anything but willing to let a company contract with the city to do something that provides choice for our folks. I'm uncomfortable voting for the initiative ordinance by itself. Because I think it could take away the badge program. It would take away potentially the badge program unless we also adopt -- did I have the manager the authority to -- give the manager the authority to execute these contracts, these agreements. Because if we adopt the initiative ordinance by itself and don't do that, then we don't have any protection for the badge program. We don't have any protection for cooperation. We don't have -- we're not -- we're not willing to accept the hand that's been offered to us to participate in that program. And at that point, you know, I think we have, you know, probably an evenly divided community about whether they want the initiative or don't want the initiative, and the community could vote then and decide. Which it was that they -- what they want. But I hate for there to be an election on some levels because it's going to be expensive.

[10:37:33 PM]

It's going to cost the city up to \$800,000 to do. It's going to suck a lot of air out of our universe for the next four months. It sucked a lot of air out of my office over the last three and a half weeks while I've been trying to present an option for the council, and I don't -- I want us -- I want to spend my time working on big mobility issues and affordability issues. So I feel like I have been able, with the cooperation work of some of my colleagues and many in the community to present a path that does not have us just rolling over and tagging an initiative ordinance. Rather, it has us taking the initiative ordinance only because we are able to get further agreements with the parties. So as part of this discussion and this debate, I would like to know who else on the panel, if the initiative ordinance passes, are willing to let us enter into an agreement that -- that might preserve the bathed? I understand different people may vote different ways on the initiative ordinance but the question that I would really like to know the answer to is if the initiative ordinance passes, are there six votes on the council to allow these two companies to -- and the city to enter into an agreement that creates a safe harbor? I think there is a way for us to avoid the election that allows Uber and Lyft to operate, that allows us to maximize fingerprinted drivers and avoid an election. And if I have the opportunity to vote to do that, that's how I would like to vote.

[10:39:41 PM]

So further debate on the dais.

[Laughter] Ms. Garza sorry. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I do --

>> Mayor Adler: Hang on one second. Ms. Garza, I recognized you.

>> Zimmerman: Oh, I'm sorry.

>> Garza: I mean I guess because all of these seem so intertwined, it seems like we said yes if this, but I'm going to address all of these because it seems like we're considering them all together. This has been such a frustrating process. I wish we could have -- for anyone to imply that anybody on this council did anything for no other reason than this is really unfair. I think everybody on this council, while we disagree, has done what they believe is in the best interests of their community. We have continually conceded and conceded -- sorry, I'm not going to use compromise. I'll say we've conceded to this company over and over again. And the -- the history has been they're not moving. They are not moving. It's -- and I guess I have to separate Uber from Lyft because I will give Lyft credit. I think they're a good corporate partner to their drivers. In fact I've been with -- I've been in Uber and Lyft, and the Uber folks have said I prefer driving for Lyft because they treat their drivers better. But this company, which has been referred to as the Wal-Mart on wheels because of their labor practices, the way they treat their drivers, I don't know how a supporter of labor can support accepting this ordinance.

[10:41:49 PM]

I don't know how anybody who is not outraged by citizens united can support essentially setting this precedent where you get to roll into a city and buy your own regulation. And I get that, you know, sucking the air out of the room. It's been tough on every single one of us, this issue, weighing each side, wanting to do the right thing for what we believe in for our community. And I just -- it sets a horrible precedent. It

sets a horrible precedent for us to just accept this language, which, frankly, still seems like we have this gun to our head that says we're only going to allow this or we're only going to submit this contract and agree to this contract if you do this. And the reason they've done that is because they know, they know that it sucks the air out of the room. They'll just go to the next city and do the same thing. It is suck the room out of the air, exactly. And they've done that because they put us in a position, that yes, it would be easier to accept this language. Yes, it would because then it would be over. There's a little part of me that, you know, I'm kind of at this place where it's like I don't know where the vote is going to go but, hey, it's kind of win-win because then it's done but I can't bring myself to accept this language and set this precedent, this -- I just -- I just heard that there's going to be Uber drivers striking on Valentine's day because of the way they're treated. I find it ironic that we've had drivers come in here and speak in favor of this company and then months later it's happened in other cities, they come back and they're asking their council for protections. The very company that they came and, you know, advocated for, then they come back and say they want protections because they cut fares, they withhold tips.

[10:43:52 PM]

This process has just been so convoluted. We could have made it really easy. I understand there's efforts to try to come to a compromise, but when something that we're considering tonight in this whole picture, we just got about an hour ago, the public has not seen -- really had a lot of opportunity to see this mou. It's my understanding that get me and zip car are one -- one of the other was not involved in this mou. Other tncs that have said they're going to respect the importance that we placed on fingerprinting, they haven't been -- they weren't even part of this conversation. I don't know how that's fair. So those -- to those other companies that said we're going to respect the vote that you took. I really -- I think the voters need to decide this issue, and then -- and then it will be over. I know it's not the easy choice, but I think it's the right choice for the voters to decide this issue.

>> Mayor Adler: By the way, get me has now signed the mou as well. Ms. Kitchen.

>> Kitchen: Yes, that's new information that we didn't have. So -- all right. Let me just -- there's been a lot of discussion, so I'll be brief because I've certainly talked about this a lot. But I have to echo councilmember Garza's statements. It has always been about public safety and fairness for me. I have the up most respect for the drivers, and I know that many of you count on these jobs, and I also have the utmost respect for the transportation service that is offered by tncs. But we have been placed at a false choice. We should not be in a position where we are trying to choose between the risk of assault -- and assault is a real risk.

[10:45:54 PM]

The risk of assault, the risk of DUI and the transportation concerns. And the only reason that we are trying to make that kind of choice and been put in this -- in this position is because we have two companies that continually threaten us to leave. We have other companies that have said that they would live within the requirements that the city sets. But because these two companies leave, threaten us to leave, then we find ourselves arguing with each other about which choice is best. I would love to say that those companies -- and I would love us to say to those companies, why don't you give us a chance? Why don't you work with us to make this work? I am very

frustrated. We have gone through -- our December ordinance was a very reasonable ordinance. We listened. We listened to the concerns of drivers of tncs and we put an ordinance in place in December that's very reasonable. It's phased in a goal of working towards fingerprints for all. And it was stated as a goal, and it was phased in over a long time. And then we came back with a badge program that is a voluntary program that provides drivers the choice to be fingerprinted and incentives to help them do that. Lots of ways in which we help them do that. And still these companies, with this mou, they don't want to accept what we put in the badge program. They don't even want to let drivers get the benefit of choosing to fingerprint. This mou walks back from that badge, and what I consider to be one of the most meaningful benefits for drivers to choose to be fingerprinted, we can't do anymore under this mou.

[10:47:56 PM]

So I just feel like we have tried over and over again, and I do think that public safety is -- has to be what we make our decisions based on. So I cannot support -- well, from my position, as much as I would like to have this put to bed, as much as I would like to stop, I think that I cannot go forward with accepting this ordinance and I cannot accept this mou. We have heard from anywhere between -- you know, whatever number you want to pick. We know for sure 23,000 individuals. And I respect their choices. But they're not the whole city. We have not heard from the whole city. And I think that everyone should have the right to weigh in on this. That's the only way I can see that we can make a final decision.

>> Mayor Adler: Okay. Ms. Tovo.

>> Tovo: Yeah, I'm going to support putting this to an election and asking the voters of Austin to come -- to come and weigh in. He had the dubious honor of having spent dozens of hours on this issue back in 2014 and frankly we are arriving at some of the same decision points and I applaud the mobility committee for doing what the previous council asked, to look at the interim ordinance and to see which provisions needed adjustment. I think the recommendations you made to us are sound and we've spent a lot of time working -- working from those recommendations and instead I think opting for solutions that really aren't in the best interests of austinites. And so there are some things in the mou that I think the public should know. I'm told that this is not readily available so I'll just highlight what some of the changes are from the one that was posted.

[10:49:58 PM]

The annual payment to the city has changed from a 1.5% of the annual -- of the local gross revenues or of \$200,000, that's changed to a 40,000 one-time payment. You know, there's other things. Any way I would ask this be placed on our message board or somewhere people can see what the changes are but I'm certainly not going to support the mou, and, again, I think that the right thing to do is to put it to an election. I completely agree with the speakers tonight who said, you know, part of our job, part of why we're elected is to make the hard decisions. And not to let corporate interests come in here and try to write their own regulations.

>> Mayor Adler: I would point out that it is -- the document, mayor pro tem, has been posted on the message board for people to see. And the -- the fee changed from one and a half percent and 25,000 to 1% and 40,000.

>> Tovo: Mayor, thanks insofar clarification. Can you show me which clause is the 1%

in?

>> Mayor Adler: The 1% is what is in the initiative ordinance. And the original document was adding an additional half a percent.

>> Tovo: Thank you insofar clarification. I still think what we started the day was was stronger but in any case I wasn't going to support that one either. So thank you. The mou -- can you help me see where -- I'm not seeing this mou draft on the message board.

>> Mayor Adler: I'll check. I thought that it was.

>> Tovo: If someone could make sure it's there, I think that would --

>> Zimmerman: Mr. Mayor.

>> Mayor Adler: Yes.

>> Zimmerman: There's a thread on here, another mou draft? On the council message board. This is the one I responded to on Tuesday, February 9. Is that the one where you put the latest?

[10:52:00 PM]

>> Tovo: No. I see now that there is one added at 9:25 P.M. So it is -- it's the same thread.

>> Zimmerman: Same thread, yeah. Okay.

>> Mayor Adler: And the original mou was posted, I think, Sunday night, and it's stayed pretty much consistent with that, with a few minor changes. And as those were made those were posted. Is there further debate and discussion? Ms. Gallo.

>> Gallo: I'm going to keep my comments brief. I think we're all brain dead and very tired at this point and I appreciate all the people that have hung in here with us. I'm going to vote for agenda item 2, which is the citizen inform initiated ordinance. I have heard over and over again from the Austin community that there continues to be concerns about our city spending and the policies that we adopt, which increase our utility bills, our property taxes, and the cost of living in Austin. So I am not comfortable with voting to hold an election and handing the taxpayers a bill of probably close to \$800,000 or more when the reality is that if the 23,000 people who signed the petition vote, I would imagine that the ordinance would pass any way. Although I reluctantly support this ordinance, I will promise to continue to support the implementation of our badge initiative ordinance so as to give the member of our community the option of being able to choose a commercial for-hire driver who is registered with the city. And I want to have that choice also. This has not been an easy decision and it's been an extremely frustrating process. I've appreciated the many phone calls and the 7,124 emails that my office has received, and there's probably a few more that have floated in since we last checked, but I think it's really important that we resolve this issue today and now turn our attention to the many, many other policy areas that are facing our city.

[10:54:09 PM]

>> Mayor Adler: If the initiative ordinance passes will you vote for the mou? Do you feel comfortable telling me that?

>> Gallo: I thought that what we were going to do was vote for 21st.

>> Mayor Adler: We can listen to some more debate, but it would be helpful for me at the end of the debate to have a feel for that. Because it would impact how I vote on number two. Mr. Casar. Any further -- I'm sorry? Is there further discussion?

>> Houston: If you want to go down to that end, it's fine, just as long as you come back this way.

>> Zimmerman: Go ahead.

>> Mayor Adler: Ms. Houston, why don't you go next.

>> Houston: Okay. Mine really will be short. I'm gonna vote to put this on the ballot, and I understand the concerns about the cost, but I think that when people go out and exercise their right to petition and they get enough signatures, then we need to give all the citizens of Austin an opportunity to vote on the issue. And so I will be supporting putting this on the ballot.

>> Mayor Adler: Okay. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I was going through my versions of the ordinance here, and this is the 2014 Leffingwell Reilly ordinance, petitioners' ordinance, ordinance from Sunday, ordinance from Tuesday, Thursday morning, Thursday on the dais. Now some of these do have dates on them, but they don't have time stamps. So others don't have any -- any markings on them at all so I can't identify where they came from or where they fit in the chain of edits.

[10:56:19 PM]

It's a big problem for me. I also -- I have two mous. I think this is the one from Sunday, and I think that this one is the one that we received maybe 15 minutes ago. But this one that I got 15 minutes ago I cannot identify what version it is. There may be another version on the printer upstairs right now, and so to answer the mayor's question on if I would support an mou, the answer is no because I have no idea what mou I would be voting for. So I've got a problem with it. And I think part of it is this is what happens when you try to do things at the last minute and there are changes and edits going on all day long. For something that we've been talking about for six months. And going back to the original conversation, I was the only mobility committee member that voted against this in the first place on the grounds that our constituents didn't ask us to even look at it. It did not come from district 6 constituents, and I don't think there was an outcry from the city. Now, there was an outcry from the city to work on short-term rentals. No question. It's a big contentious issue, and the community asked us to do something. They didn't ask us to even start this. So here we are, after all these months and a lot of contention, and nothing frustrates a controls engineer more than a metastable signal, not high, it's not low. It's both and it's neither. It's metastable. So the vote I have in front of me to vote for this ordinance, there's this mou hanging out here. So I don't know if I vote in favor, then maybe an mou will pass which in my opinion starts to immediately modify what I just passed if I pass -- if I vote to pass the petitioners' ordinance. I don't want to vote against the petitioners' ordinance because I'm a fiscal conservative.

[10:58:22 PM]

I like to save the time and money of going to an election. I don't like spending money this way. But I don't have a clear vote. So as is my typical custom, when I get a metastable decision, I abstain. I don't have a clear path. It's not clear to me what I'm voting for if I vote in favor or I vote in opposition. But I think at this point, based on a lot of things I've heard, including from Mr. Butts, I agree with virtually nothing with him, but we do agree that at this point, after all this contention, the only way to resolve this is to have it go to the voters. And I think my vote for abstention is a

vote to send it to the voters to let the voters decide.

>> If there's no more debate, I'll call the question.

>> Mayor Adler: Does anybody else want to say anything else?

>> Kitchen: I'll second calling the question.

>> Tovo: Can we just clarify who made the motion and for which item?

>> Item 2.

>> I thought we were considering 2.

>> Tovo: I want to be really clear. Did somebody actually make a motion and a second?

>> Mayor Adler: Is there a motion? Here's the dilemma I have, and I'll ask my colleagues on the council one more time. Obviously no one has to answer this question for me. We're going to take a vote in a second about whether the initiative ordinance should be put on the ballot or not. If the initiative ordinance is not put on the ballot, is there -- I would like to know if anyone would -- how people feel about the mou in that context.

[11:00:39 PM]

If the initiative ordinance is not put on the ballot and just accepted, do people want to just stop at that point, or would they allow the contracts to be entered into? Mr. Renteria?

>> Renteria: I would -- I mean if we're not going to send it to the voters, then I would support the mou.

>> Mayor Adler: Okay. Thank you. Ms. Tovo.

>> Tovo: I wasn't going to answer that question, mayor, but just to be clear, are we voting first on the municipal election, or are we voting first on the ordinance?

>> Mayor Adler: We're going to be voting --

>> Tovo: Sounds like -- there's also a rationale for voting on the election first.

>> Mayor Adler: The vote on number 2 is a vote on the election. If we -- if we adopt the initiative ordinance, then there won't be an election. If we don't adopt the initiative ordinance, then there will be an election. We have to set it. We have to set an election if we don't --

>> Gallo: But my understanding from legal is that we have to have the ballot language to be able to set the election, so we can't vote on the election today. Is that correct?

>> Mayor Adler: Yeah, we're not going to vote on the election today. We're going to vote on the election next week.

>> Gallo: Right. But there was some confusion with whether or not we were voting on agenda item 3 today.

>> Mayor Adler: No.

>> Gallo: Which is the election.

>> Mayor Adler: We're voting --

>> Tovo: Sorry to introduce the confusion.

>> Mayor Adler: We're voting on item number 2.

>> Zimmerman: Point of order. So item 2 is on the table -- it has been moved and seconded; right? Item 2? Has it been moved and seconded?

>> Mayor Adler: Is there a motion for item number 2? Ms. Troxclair. Is there a second? Ms. Gallo. Item 2 has been moved and seconded.

[11:02:42 PM]

No one else is going to help me with an indication on the mou?

>> Gallo: I will tell that you with the ballot, the citizen initiated ordinance, that I would vote to support agenda item number 2. I would also vote for the mou because I'm reluctantly supporting accepting it now because I think that the months towards an election will look very much like the campaign that took place several months ago and was very negative to our council members and very disruptive to our community. So I would support the mou because I think that gives us a little bit more than what we're getting with the citizen-initiated ordinance.

>> Mayor Adler: Okay. Mr. Casar?

>> Casar: This has been one of those issues where there doesn't seem to be a good or simple choice. I hear my colleagues when we talk about setting precedence that that businesses have so much power that they're able to seriously influence not just council members but really have so much influence in their ability to easily root up operations and go somewhere else when you now have an economy where you're not investing in a whole factory in any one city, but the capital is really held by people and their drivers, so it's a very, very challenging situation, and there have been times where this council has stood up to corporate interests, and every time that we have or do, it's over something, it's over a value, it's not just to have that fight, but it's over what it is that we're trying to achieve. In this case, as council member kitchen mentioned, we're trying to achieve what it is that -- how we can best achieve public safety. I think that it would be really nice for us to just have fingerprint -- lots of fingerprinted tnc drivers in this city and a simple way of doing that would just be for the tncs to participate and do so.

[11:04:54 PM]

And it seems that that option is currently not on the table in this community, and for lots of reasons, and we can argue about that, but it just doesn't seem to be an option on the table. And so I think that if we go to election and the city ordinance wins, what we would wind up getting, most likely, is a badge program very similar to what has been outlined in the mous. So if we can get support for those mous, then I think we're essentially getting what it is we would get by winning that election. So I don't feel comfortable -- I don't feel comfortable not going to election if we're not going to be able to get support for those mous so I have the same questions that the mayor has. If we aren't able to get from the tncs the save harbor that they're going to participate in the badge program through the mou's, then I guess we'll go to election over it so we can get it through an election. But I think that we can get some serious part of the badge program through -- through the tncs agreeing in a way that I don't think they've agreed in any other community to participate in this kind of a program. But if we can't get the council to agree to allow the city manager to execute that, then I guess we'll of us have to go to an election over it.

>> Mayor Adler: Okay.

>> Casar: It seems to me there are two paths to get to the same place and one path is shorter.

>> Mayor Adler: Okay. By my count, that gives me four people that, if the initiative ordinance was passed, would also support the mou. Will anybody else give me an indication?

>> Zimmerman: Mr. Mayor?

>> Mayor Adler: Yeah sips can I ask Robert a question?

[11:06:58 PM]

>> Mayor Adler: Yes.

>> Zimmerman: Maybe it's fine, what you're doing might be just great, but is it all could she under a Robert's rules to do a poll like that?

>> Mayor Adler: It is. Because it's debate. Again, you know, there's a path that enables us to avoid an election but still get more than what is just offered by the initiative ordinance. And, you know, my sense is, is that, you know, there are people on the council that just really want to have the election because they want to have the election, and there's some people that don't want the election because they don't want an election, and -- but there's a path in the middle, but it requires people to step up to say that they -- that they want that. And in the absence of that, then -- then it doesn't happen, which would be fine. I'm just trying to figure out how to vote on the next vote. And if I knew that the colleagues on the council were going to support the mou, then I would want us to try to tell implement that without putting the community through a campaign because it will have achieved some of what we would want to achieve in a campaign, anyhow. But, obviously, no one has to answer that question for me, but it sure would help me with my next vote.

>> Houston: Look, mayor, I'd like to say how much I appreciate you trying to find that middle ground. And there are times when that's an easy thing to do, and then there are other times that it's not as easy as one would hope. And I wish I could say that if, whatever the vote is, that I would be able to sign onto the memorandum of understanding, but it seems like, again, the city gets very little as opposed to what the transportation network companies are able to get.

[11:09:04 PM]

And so -- and again, it's been so new to us that it's kind of hard for me to be able to compare, but the last iteration was, and now what I have just a few minutes ago, so I wish I could be more specific.

>> Mayor Adler: Can I ask this question? And, again, you don't have to answer the question. I've heard you say that you want to send it to a vote of the people so that the people have a chance to vote, and I understand that and respect that. My question is, is that if you lose that vote and the decision of the council is to accept the initiative ordinance, then we'll either leave here tonight leaving under the rules of the initiative ordinance or we could leave here tonight under the rules of the initiative ordinance plus whatever else we gain in the mou. And that's my question. If the -- and I recognize you want to go to an election, and that will be the first vote. But if the vote is for us to leave here tonight with the initiative ordinance, would you -- would you, in that case, support the mou so that we left here with something else in addition to that?

>> Houston: So you've been keeping track of the questions that you've been asking? Do you think we're going to leave here with the initiative -- do you think that's the vote we're going to take next?

>> Mayor Adler: I don't know. But, in part, it might dictate how I vote, and that's why I'm asking.

>> Houston: Well, when I ran for election, I ran knowing that I might lose. I went into a runoff knowing that I might lose.

>> Mayor Adler: Sure.

>> Houston: And so the fact is that I might lose this one, but then I'll continue to do the best job I can for the citizens of Austin.

[11:11:05 PM]

And so I'm prepared to take that risk.

>> Mayor Adler: Okay. I guess those are all the clues I get?

>> Mr. Mayor, I will like to call the question.

>> Mayor Adler: Okay. It's been moved and seconded in debate. It didn't sound like anybody else was ready to gait.

>> Do we have to.

>> Mayor Adler: Ms. Pool.

>> Pool: I just wanted to acknowledge all of the extra effort that has gone into crafting the various -- the various memoranda of understanding. I just want to take a moment and recognize how hard you've worked to bring this to us, the effort that you have expended and your staff and the hours and the brain power.

>> Mayor Adler: I appreciate that. Thank you.

>> Pool: I really want to acknowledge that.

>> Mayor Adler: Thank you. If there's no further debate, then we'll take a -- we'll take a vote. Those in favor of passing the initiative ordinance, please raise your hand. Gallo, troxclair. Two people. Those opposed to the initiative ordinance, please raise your hand. Houston, Garza, Casar, I'll vote that way too, with no support on the mou, Renteria, tovo, pool, with Zimmerman abstaining.

[11:13:14 PM]

>> Zimmerman: Thank you.

>> Mayor Adler: The next item that we have is item number 16. Item number 16 is another tnc ordinance. It's been handed out. It was posted on the board earlier. When we go into this election, people are going to be deciding between what is the initiative ordinance and they're going to be deciding what is the ordinance that would be the default ordinance in the event that the initiative ordinance is not passed. The ordinance that we have right now could be confusing to people in that it could be argued that it is mandatory fingerprinting, even though I believe it is incomplete. I think if we were going to go into that election and try to prevail in that election, we should make clear to the folks in our city that the ordinance that we have is -- the default ordinance does not make fingerprinting mandatory, and that's what I have done in item number 16. So I would move passage of item number 16. Is there a second?

>> Kitchen: I have a question.

>> Mayor Adler: Yes.

>> Kitchen: I have a question about the order and the time -- timing that we are doing this because if I understood earlier, we didn't have -- that we're not voting tonight on the ballot language.

[11:15:19 PM]

So this ordinance that's in front of us, I'm not certain that everyone has really had time to digest it, and I may just be -- I'm just raising this and asking the group. I understand what you're suggesting, mayor, but I don't know that that has to be decided tonight. So I'm raising -- because we do have to come back and vote on the -- I mean on the ballot language. So I would just suggest if people feel like they want more time, that that would be okay.

>> Mayor Adler: The reason I would bring it up now is because I would make the argument that the the ballot language, when we're setting it out, would be impacted by what our default ordinance would be.

>> Kitchen: We can vote on the default ordinance on the same day, right before we vote on the ballot language. Can we not? I mean that's the question I'm raising.

>> Mayor Adler: My concern on that would be with respect to the effective date of the ordinance.

>> Kitchen: Okay. Just help me understand the timing.

>> Mayor Adler: We could have that ordinance be effective as of the date we passed the ballot language, if we were to act now with sufficient votes.

>> Kitchen: That's fine. I mean, I just thought that -- I don't know how my colleagues feel about -- if they've even had time to digest this. But I'll let them speak for themselves.

>> Mayor Adler: And it's been posted, and what it is is, it's the initiative ordinance. What's been posted for several days now is a red line that compares this innovation ordinance to the initiative ordinance. The red line was handed out again tonight, but it's been posted, and it narrows the issues. And you can see on the red line the few changes that it makes.

[11:17:21 PM]

Most importantly, it would specifically allow for us to continue the innovation associated with the badge. Seconded by Mr. Renteria. Mr. Zimmerman.

>> Zimmerman: A point of inquiry here.

>> Mayor Adler: Yes.

>> Zimmerman: So the version in our backup material here has been superseded. Right? By another -- is it on yellow or white paper? The one that's in our backup is not the current one we're debating, or is it the current?

>> Mayor Adler: It should be the one. It's also handed out in yellow, but I also handed one out in white just so that you could see the red line, so you could compare it to the initiative ordinance. You could see the difference between the initiative ordinance and the innovation ordinance.

>> Zimmerman: And does it say innovation ordinance on it, or how would I --

>> Mayor Adler: No, I'm just calling it that.

>> Zimmerman: Okay. I just love stuff that's like identified and I can look at it and know I got it. But let me keep looking here.

>> Mayor Adler: It's in your backpack.

>> Mayor, is it the one that's called mayor's ordinance number one?

>> Mayor Adler: That would make sense to me.

>> Just trying to help out Mr. Zimmerman.

>> Mayor Adler: Thank you.

>> I think if you look at the yellow copy that's at your dais at the very bottom, it will say tnc innovation ordinance.

>> Mayor Adler: There you have it, Mr. Zimmerman. It's labeled innovation ordinance.

>> Kitchen: So I'm sorry, I'm not sure I had my question answered, or perhaps I'm just not understanding it. So we have to vote on this today because why? Tell me again?

>> Mayor Adler: I don't think we have to vote on it. I was just trying to get it so that it was final before we were discussing the ballot language.

>> Kitchen: Oh, I see. Okay. So, in other words, the only way that we could do it on

the same day is if we had seven votes before.

[11:19:27 PM]

Is that the thinking?

>> Mayor Adler: Well, it's possible, if there was interest in it, we can do it today. I guess it's not set on the agenda for tomorrow. Is that right?

>> It's not on the agenda tomorrow. Tomorrow you have a specially called meeting, essentially items 2 and 3, either to adopt the petition ordinance or call the election. We have three special called meetings next week so that you can call the election. You need seven votes in order to call the election so we have three different days. If it passes by more than seven votes, you just need to read it one time.

>> Kitchen: So is this posted next week, or not? Is this item posted on those three days?

>> Mayor Adler: I don't know, if it's not -- I don't --

>> Kitchen: Okay.

>> I don't know if it is, but we can post it for next week.

>> Mayor Adler: Right.

>> Kitchen: Okay.

>> And, mayor?

>> Mayor Adler: Yes.

>> Gallo: Are we scheduled for a special called meeting tomorrow?

>> Mayor Adler: We are.

>> Gallo: I don't know.

>> Pool: I don't know if that's what councilmember kitchen was contemplating --

>> Mayor Adler: We can't do it because it's not set on the agenda for tomorrow. Tomorrow is a meeting asking us to vote for the initiative and ordinance, had there only been six votes in favor.

>> Pool: So we probably don't need to have the meeting tomorrow. Is that correct?

>> Mayor Adler: That's correct.

>> Kitchen: I'm prepared to vote. I'm just a little concerned about the process and I want to make sure people understand that we don't have to vote now if they're not ready. If you all are not ready. But that's the only reason I brought it up.

>> Mayor Adler: I think that's probably true. Ms. Garza.

>> Garza: My concern with this is I feel like it's basically a plan B to get to where we could have gotten with what we just didn't do, because this is the petition language, so if we voted against adopting the petition language, I don't know why you also wouldn't vote against adopting this, because this is essentially the petition language with some tweaks.

[11:21:36 PM]

And that's what the previous issue was. It was adopting the petition language with some tweaks. So I will not be supporting this. It guts what we did in December, which I still firmly stand by. I think we've made a very decisive -- we just made a very decisive vote. I don't know why we would essentially negotiate with ourselves here. We made a very decisive vote to let the voters decide. This changes that. A lot. So I say we vote this down and we're going to -- we let it go to the voters. There's no reason to convolute this process any more than it already has been.

>> Mayor Adler: Any further discussion? Ms. Tovo.

>> Tovo: This is information that goes back a little bit, but in looking at the special called meeting, I think that we are -- and I'll ask counsel, we are actually posted, I believe, to discuss all four of the items we took up today, so --

>> Mayor Adler: Oh, okay.

>> Tovo: If we wanted to discuss this tomorrow, I suppose we could.

>> Mayor Adler: Thank you.

>> Mayor? If that's the case, I would suggest that we just let this ride and come back tomorrow when we're fresh and pick up where we leave off, so I would move to table.

>> Mayor Adler: Okay.

>> Pool: If you would be a meanwhile to amenable to that if we're going to pick it up tomorrow and consider it.

>> Pool: And we're set for -- is it 10:00 A.M. In the morning?

>> 1:30.

>> Mayor Adler: 1:30. Okay. Ms. Troxclair.

>> Troxclair: If we move forward and take the votes on these tonight, do we -- we won't have to have a meeting tomorrow.

>> Mayor Adler: That's correct.

[11:23:36 PM]

>> Casar: I'm ready to vote on it tonight.

>> Mayor Adler: Yes, Ms. Tovo.

>> Tovo: Just to be clear, I wasn't advocating for that as an option, I was just simply trying to provide that information. But if it's -- since it is an ordinance, it would, you know, have a multiple meetings, if there's a will to pass it, we might need those multiple meetings anyway, so we might want to have an initial vote, even if there was a will to talk about it again tomorrow.

>> Mayor Adler: Okay.

>> Tovo: Which I don't share, actually.

>> Mayor Adler: So I move to pass this on first reading. We can come back tomorrow if we want to. It's been seconded. Any further debate? Yes, Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I note on page 7 on the fees, it looks like the annual fee is listed here on page 7 as two percent, not one percent?

>> Mayor Adler: That is the same as the December ordinance and same as state law allows.

>> Zimmerman: Yeah. Okay.

>> Mayor Adler: Any further discussion on the innovation ordinance? Those in favor of the innovation ordinance on first reading, please raise your hand. Casar, Adler, pool, Renteria. Those opposed? The balance of the dais, with abstaining, Gallo abstaining. It does not pass. I think that gets us to pilot knob. Do we have the energy to do pilot knob?

>> Power through.

>> Mayor Adler: Yes, Ms. Troxclair.

>> Troxclair: So am I understanding that the mou, that we now don't have to take -- we're not taking a vote on item 59?

>> Mayor Adler: No. Because as I said, that was something that was offered to us to help us get more, so there is no mou to vote on.

>> Troxclair: Well, I just want to echo councilmember pool's comments from earlier, that -- I mean a lot of people on this dais have spent a lot of time and energy on this issue, including your office and including councilmember kitchen, and I think that even

though we ultimately disagree on the issue, I think we are all coming from a genuine place of wanting to do what's best and just having a different interpretation of how best to regulate, you know, new, disruptive technology, and how to balance that with the safety of our community and what thing -- what safety truly means to all of us.

[11:26:09 PM]

So, I mean, for me, I understand where you were trying to get to with the memorandum of understanding, but, you know, I've been pretty consistent on -- with this issue all along. I've never -- it's never been about what's best for a certain company, it's never been about what's best for a certain business model, it's been about looking at -- looking at what is the fairest, safest, most reasonable way to regulate an industry. And after I evaluated all of the information and I talked to people in the community and I saw the benefits that ride sharing has provided to Austin, I just have consistently maintained that the previous regulations were the best regulations. That was what was keeping our city safer. That was what was providing the jobs to our community. That was what was reducing drunk driving. And I didn't -- I didn't hear an argument that made me believe that requiring a fingerprint would keep anybody any safer. I know that I've offered a couple of examples, but going forward, I hope, in addition to my example about block buster and necessary Netflix, or print media versus online news, you could also think about this discussion in the connects of a land line versus wireless. I mean, that was an issue that our government recently had to struggle with, you know. I worked at the state when wireless technology was becoming available, and many -- we heard the same argument, that a cell phone does the same thing -- offers the same service as a land line does. Right? You dial a number, you receive calls, you can talk to someone on the other line. So if it's the same service, why can't it be regulated in the same way?

[11:28:14 PM]

But as we all know, they're two very different technologies, and it's physically impossible to regulate them both in the same way. They use different right of way. They use different -- I mean, pretty much everything about the way that they're actually utilized is different. And so I just -- I hope that that's not way for us to think about why it's an easy talking point to say, you know, quote-unquote, level the playing field, but in reality, leveling the playing field doesn't always mean forcing businesses into the exact same type of regulation. There's still a place in this world for land lines, just like there's still a place in this world for taxis. And as far as the corporation, I mean, I think that council member Zimmerman is right. Even if we go to an election, I think that -- and even if the election is successful, or what in my view would be successful, and the people of Austin vote to support ride sharing in Austin, I think that you'll still hear the argument, that this was some kind of, you know, corporate -- corporate scheme. But look at the people in front of you. Look at the people who have come to talk to us. They're not a corporation. They're a part of our community. So a part of me wanted to be able to support your mou because I wanted to be able to avoid, you know, the turmoil that I think this community is going to go through leading up to the election, but at the end of the day, I just -- I didn't believe that this was really necessary or that that was going to keep our city any safer. And so I'm disappointed that the council didn't choose to adopt this -- the language as is and to continue to allow ride sharing to work and do the good things for

our city that it hasdone already.

[11:30:24 PM]

But I guess it is what it is now, and we'll look forward to the election.

>> Mayor Adler: My sense would always be, what I will always wonder, is if you could have had the initiative ordinance adopted and avoided the election, if that had been something you hadwanted to do tonight.

>> Mr. Mayor?

>> Troxclair: And I think that that was a possibility. But at the expense of -- at the expense of what I felt was compromising the principles that I have maintained all along, that an mou -- that what is outlined in this mou does nothing to protect -- to further protect our citizens, and -- I just -- I couldn't bring myself to compromise on that point.

>> Mayor Adler: I understand and respect that.

>> Kitchen: Mr. Mayor, I just want to add my voice to the others who have thanked you for all your work on this. I know this has been hard for everyone, and I hope that you know that we really do appreciate all the work that you did on this.

>> Mayor Adler: And I appreciate that. And I don't -- and it's okay. You know, what I try to do is to provide a path, and it was there, but it was only there -- there are 11 votes on this dais, and my job was to, as I saw it, was to try to provide that option for you, and I did this. And I'm fine with the council voting the way the council wills it wants to vote. Mr. Zimmerman.

>> Zimmerman: Mr. Mayor, I want to pile on the compliments because I'm perfectly serious, three hours ago, owing to your skill and work on this, I thought the vote was going to go the opposite direction.

[11:32:27 PM]

Seriously. You know, because you worked on this so hard and you made your point so well, I thought the vote was going to be the opposite.

>> Mayor Adler: All right. Anything else? Ms. Tovo. You're not going to make me feel like I died here or something.

>> Tovo: I feel like I should give you a rounding thanks. No, but thank you also. And I also just wanted to get us back to the procedure, while we have folks here who are interested, I wonder if you could just take us through what the procedure would be from here. It would certainly be the council's intent to call the election between now and next Friday, as I understand it, and if you could just clarify whether we're, for example, meeting tomorrow, or whether we're just going to take this up next week.

>> Mayor Adler: I'm going to pull down the meeting tomorrow so that we have time to think about what happens next. I'll convene us at that first special meeting next week. If we can approve the ballot range by more than six votes, then we'll be done. And if we can't, then we'll have to meet each successive day that we don't have six weeks -- six votes for three days. Okay? Now we are to pilot knob, which I think is item number 16. Is there --

>> It's 19.

>> Mayor Adler: Or 19, rather. And I think we have some speakers for this item. David king. Is he still here? What about Michael Willard? Michael Willard? Is Chris Bailey here? Is Logan Kimble here in oh, Chris Bailey. Okay.

>> What an issue to follow.

[11:34:32 PM]

My name's Chris Bailey. I served on the water resource planning task force. I was the vice chair of the joint committee for the Austin water utility and currently am on the impact advisory committee. We just met this Tuesday for the first time with the new members. There was some delay in getting enough people on the committee to organize to vote. There's no vote. We haven't voted on anything. But I think some of the points that I want to talk to is that I have spent many years volunteering for these committee hearings, and we've really done a lot of work looking into the issues, the water utility. And some of the really core beliefs of what I feel are the community, the people of Austin, which is having growth pay for growth. As something I know all of you have heard before, with what's happened with the pilot knob vote, it's kind of redirected that, and we're not seeing direction in our city of having growth pay for growth now. Instead, what we have is the people of Austin subsidizing people that are not in Austin and creating housing. I want to be really clear, I'm not up here advocating against affordable housing. What I'm advocating for is water. I think that's really important. Some of the things that haven't been discussed very much in detail are some of the decisions that came through the council at the recommendation of the joint committee. One of those was the water utility just took some very deep budget cuts about a year and a half ago to the tune of about \$30 million. We went through this very -- very much in detail, and there was a lot of deferred maintenance that was included in that as well. To give you an idea of just how detailed this got, I don't remember the exact dollar figure, but it was somewhere around 40 to \$60,000 that they cut out of the water utility for employee rewards, when it was somebody's birthday, having a birthday balloon and a cake and stuff like that.

[11:36:41 PM]

And water utility actually -- they cut that out of their budget even. It was brought up -- I watched the full council work session on Tuesday, and it was brought up, the one issue that really got to me was, it was brought up that the water rates didn't go up last year, but at the exact same time, we're getting out of five years of a drought where the water utility was bleeding money, and we did have rate increases. Right before you guys were elected, there was some disingenuous information but out by the budget commission, as far as how much the rate increases actually were, and they actually stated was a much lower number than the way the rates had gone up. For the water utility to be funded, it's really only going to get its money through two ways. [Buzzer sounding] Its rates or its fees. I didn't have near enough time, I have so much. But please support this and please look into making this, and if you put it back on the agenda in the future, I'll come speak more. And please let the committees, the water and wastewater committee, impact fee committee, talk about this, or recreate the joint committee for financial planning because they're very knowledgeable about this, and they would love to give you advice. We all have so much information, hundreds of hours that we've put into this. So thank you.

>> Mayor, I have a question for Mr. Bailey.

>> Thank you. I like questions.

>> Pool: So I was not sure, when you say vote for it, you're talking about the resolution which is to revisit.

>> Yes. Please. Please consider reopening this issue up to talk about keeping the

money in the water utility. It really needs it.

>> Pool: So I had some conversations with Mickey Mya.

>> Mickey Fishback. Yes. She was chair of the subcommittee.

>> Pool: Right. I know there was interest on the water/wastewater commission last night to talk with some of the housing and community development staff to ask some questions.

[11:38:43 PM]

>> Yes, councilmember. I actually attended that -- I'm not on that commission but I attended that meeting and Austin housing elected to just not show up.

>> Pool: Well, I do have the questions that Ms. Fishback had posed and we put them back on the message board in hopes that we can get some answers to them. They were really good questions. And I think they deserve some answers, so --

>> Hopefully so. They just got a huge pile of cash. I'm sure they're all stoked over there. I think a lot of those questions really do deserve answers.

>> Pool: So if you don't know how to get to the message board, one of the staff can tell you how to get there, and you'll be able to find that, and the questions will be publicly made available when they are available.

>> Thank you.

>> Pool: But I have some serious concerns as well about the hole in the water utility budget, that the transfer of these funds represents.

>> Thank you so much.

>> Pool: I served on the water/wastewater commission back in the early 2000s and recognize the hole -- the debt hole that the utility got itself into, and I know about the belt tightening and the raising of the rates and the tiering and the increased fees, all as an effort to try to restore the fund balance, and I think it's really important. I also really support trying to find creative ways to do affordable housing, and I think there are other ways that we can do it than shifting the money that's needed at the water utility over to another department.

>> Thank you so much, councilmember.

>> Pool: Thank you, Mr. Bailey.

>> Mayor Adler: Mr. Kimble.

>> Well, we've been here a while. I'm Logan Kimble. I'm with brookefield residential, the developer on pilot knob. We've really tried to kind of remain neutral through this whole task, because, you know, we're operating within an existing city policy, and it's obviously one that apparently needs maybe to be revisited and things, but I just wanted you guys to know that I'm here, and brookefield is here and we're all here to come to the table and provide any information or any kind of figures and facts and things that you guys are interested in.

[11:41:08 PM]

As we move forward in this process. So I'm here for questions tonight. I'm here for questions in the future. And just please know that we're here to work with you and interested in trying to figure out the best way to do affordable housing, which is what we've been trying to do for the last three to five years when we were negotiating this deal.

>> Mayor Adler: Okay. I have a couple questions, if you could.

>> Sure.

>> Mayor Adler: Thank you, sir. The conversations that we had at work session and that we had before, we had talked about the fact that we had come to you asking if you would work with us as a way to try to figure out how to drive permanent, affordable housing. And you worked with us on that. There is a document still to be drafted that sets out a lot of the details and the vehicles for that. Are you aware of that?

>> Uh-huh.

>> Mayor Adler: We had a talk earlier about different monies that you had, in the mud agreement we're obligated to pay to the city, one of those were the monies to drive affordable rental property for four years. That's a commitment that still stands in the way the new thing is set out. And in the agreement that's coming up, you intend or assume that's going to be part of that as well. Is that --

>> Absolutely.

>> Mayor Adler: And then there was a group of money that that was to pay for fees thanked, both to the water department and to other departments. Is that right?

>> Uh-huh. And just a note on that, I think that it's important that we take -- I think it's really important that we take a look at the fees and how that's structured, and I think it would be critical that we are able to go through this agreement that we're speaking of, the part E of the affordable housing piece, in order to kind of flush out a lot of the questions that have been brought up and a lot of the stuff that's -- you know, that the media is reporting is not necessarily what we believe is the case, and/or intended to be the case.

[11:43:22 PM]

So I think there's a lot that can be worked out in that agreement.

>> Mayor Adler: Okay. And in part, because the media is here, part of the media is here.

>> They were at least, but they sure did like Uber, and then they left.

>> Mayor Adler: Really?

[Laughter]

>> Mayor Adler: Just so we can go through that, the amount of water fees that you would have anticipated to be pay, I think paid, I think the water department estimated based on 14,000 units or something like that. Do you estimate -- are you performing at 14,000 units?

>> No, it's significantly less based on the most recent land plan. That's one of the things I'd like to put forward as part of this next round of negotiations in this agreement that we have, is a more true land plan. I think the original mud document that water pulled the fee structure and the unit count from was from 2010 when it was filed as part of the mud filing, or 2011. And since then, we have -- you know, the market has shifted, things have changed. We've gotten a little bit more detailed in the land plan, and I think we can show that actual unit count is less than kind of the Numbers that have been thrown around to this point. So I think it -- it conserves to be -- it deserves to be look at.

>> Mayor Adler: Okay. But whatever those fees were that you would have paid under the original hud agreement, what we're talking about, the intent was, you're still paying all of that money. Is that right?

>> Yep.

>> Mayor Adler: So there's no savings to you. Is that right?

>> That's correct.

>> Mayor Adler: Similarly, there were some monies that you were going to be

spending to get the one-time affordability for the homeowner properties.

>> Right.

>> Mayor Adler: That is money to ensure that it's affordable the first time it sells, but then the -- there's no guarantee after that, the appraisal district will take the market value all the way up, which we'll have the Mueller problem where people are in homes that they can afford, but they can't --

[11:45:33 PM]

>> And as we discussed when we first cracked this open, you or I could go buy them and --

>> Mayor Adler: Flip them.

>> Well.

>> Mayor Adler: Or buy them on the flip.

>> Yeah. An it doesn't help the affordability piece. It doesn't help the people that are making 80% mfi. That was the original deal we had, and we came and tried the make it better.

>> Mayor Adler: Tried the make it better. Because we put those people immediately in the position of the people that are just east of I-35, who are now in a home that has a really high equity value and high taxes and they can't afford to be there.

>> Right.

>> Mayor Adler: The money that would have been spent for that, is that also money that is still money that you're going to spend in this deal?

>> Yes.

>> Mayor Adler: Still comes over to --

>> Still on the table. Yep.

>> Mayor Adler: Now, that money comes over to the city, and we can talk, and I think one of the things we've asked city staff to come about is to confirm that once that money comes over to the city, the city and the city council have the ultimate ability, as our understanding, my understanding, your understanding, our office's understanding, to be able to move that money back to -- to water/wastewater or any of the planning. Is that also your understanding?

>> Yep.

>> Mayor Adler: And you're also understanding that's going to be part of the agreement.

>> Yep.

>> Mayor Adler: That still will be worked out.

>> Yeah. How exactly that all works is obvious still to be determined, but it will be part of that agreement for sure.

>> Mayor Adler: And there's also some suggestion about how the development here is happening in water/wastewater, even with these agreements, isn't getting anything. In fact, it's losing things. Are there any benefit that your development is giving to the water folks?

>> Yes. So we're building two and a half miles of off-site pipe, 30-inch wastewater pipe, coming down from the onion creek tunnel, the cost of that all being borne by the mud, so the residents of Easton park will pay that bill. There's an upsizing in that that's that's not benefit of Austin water that they've requested to be outside of the mud, so those fees -- those impact fees won't be waived, and that's an additional, you know, 3700 customers that Austin water will have.

[11:47:48 PM]

That cost of that upsizing also borne by the residents of Easton park through the mud. There's about 200 acres of commercial property that's been earmarked in the land plan, and it was part of the mud document that will also be a part of Easton park and inside the mud, but those fees aren't waived either.

>> Mayor Adler: Do you know about how much money, investment, you're spending that the water department --

>> The estimate that we have right now from our -- we've designed the system based on the most recent capacity needs and the cost of kind of the backbone of the system, so that two miles worth of pipe that I mentioned, and additional, I think we have three or four lift stations planned throughout the system and some other kind of interceptors throughout. It's about a 31 and a half-million-dollar spend that will be -- you know, that's directly based on the mud and the cost of that being borne by the mud.

>> Mayor Adler: Okay. And in addition, those 3780 luds the city can seek capital recovery on those.

>> Absolutely.

>> Mayor Adler: To the tune of about \$7,800 --

>> Per unit.

>> Mayor Adler: Per unit?

>> Uh-huh. Which is about \$30 million.

>> Mayor Adler: About \$30 million, and that's usually to reimburse the city for capital expenditures it makes, but in this case you're making that capital spent tour for them, so the city just gets the \$30 million, and that's separate and apart from all the other monies that we've been talking about. Is that right?

>> That's correct.

>> Mayor Adler: Okay. I'm going to support the first one and a half parts of what councilmember troxclair is doing.

>> There's an amendment.

>> Mayor Adler: Yeah, that's fine. It has Adler a. I'll pass out, that has us adopting -- I'll ask the manager to go research questions and give us studies and that kind of stuff.

[11:49:55 PM]

But to also give the parties the time to be able to complete that other document so that people -- because that might answer questions. And then at that point, if it's -- council wants to reconsider or change or whatever, it can do that. Does anybody else have any other questions? Yes. Mr. Zimmerman.

>> Zimmerman: Thank you. I do have a quick question. Maybe you don't know, don't have to answer, but I asked of the sun chase pud regarding the administrative duties of how we manage and how we qualify -- did you hear that conversation?

>> Yeah. I did, I heard part of it, sure.

>> Zimmerman: How does that apply to your situation?

>> That's also to be determined in that agreement. It would be my -- it would be my desire, because we're not an affordable housing group, that you don't want us to do it, frankly. So we would like for hfc or some other entity -- I think the way it's written in the ordinance, is that the hfc or some other entity approved by the city can manage that process for us.

>> Zimmerman: I appreciate that, and I am just so struggling to understand before we

have a bureaucracy, a department that specializes on that, and I cannot fathom why they would insist or request that that be put on the developers. I just -- I cannot fathom that. That we --

>> Yeah, we'd just as soon let them do it, for sure.

>> Zimmerman: Yeah. So --

>> They're the experts.

>> Zimmerman: Mr. Mayor, I don't know -- I'd like to ask for your help with this later to figure out how we fix this problem, right now, to not ever ask developers to get into the business of qualifying people at 80% mfi and administering, you know, these subsidized housing programs because we already have a department that's been doing it, you know, for decades. So I don't know why we will even conceive of asking developers to do that job.

[11:51:56 PM]

>> Mayor Adler: I understand.

>> Zimmerman: I'd like your help on that.

>> Mayor Adler: Further discussion? Mr. Casar.

>> Casar: Just one more question.

>> Sure.

>> Casar: And I don't -- I don't think the mayor asked this in his string of questions, and it was sort of a question that fit right in between a couple of them. Is it your understanding not only that we would be able to -- the funding that you provide to the affordable housing fund, or that's planned to be provided to that fund, you agreed with the mayor that we could potentially move that to water/wastewater, to some other department, but that also -- for example, let's say that we had developed over the years options to purchase homes, maybe in west Austin, maybe north Austin, some may be in southeast Austin, that your development -- while I understand that you would like for us to choose to buy down permanent affordability at pilot knob, would you also understand that in our -- that in this agreement, that we hash out, that we can spend that affordable housing money for opportunities in other places, since it is ultimately dedicated to our fund?

>> Sure.

>> Casar: For us to be able to buy pilot no, but also to use somewhere else?

>> Yes. We are absolutely 100% for the best thing for the folks that qualify for affordable housing. And if the answer is that we need the geographically diversify or what have you, whatever the circumstance maybe in five, ten, fifteen years, I think that absolutely it would be an option, as far as I'm concerned, I think the details of how the money moves around can also be worked out in that agreement. But, you know, in theory, I completely support that. I mean, I think the ultimate goal is to provide affordable housing for people that need it, and that's -- I mean, the period, that's the goal.

>> Casar: Because my understanding of course is for the financial aspect of the deal, it's the same to you all if you sell it to a homeowner at 80% mfi or if you sell it for the city, to provide 80% mfi, the deal still pencils out the same.

[11:54:06 PM]

Of course you would have a preference for the city buying it down, your property, because then you know it would be permanently affordable and that provides some

level of diversity and --

>> Right. Yeah. I think those are the details to be worked out. I think if the city so chooses to take the money and go somewhere, then the permanent aspect of the affordability might drop off because I think that's what we tried to create with this bucket of redirected funds, is --

>> Casar: I understand. If we pass on our opportunity to buy it, then we've passed.

>> Right. Exactly.

>> Mayor Adler: Okay. Ms. Tovo.

>> Tovo: Thanks for being here to answer our questions and provide your testimony.

>> You bet.

>> Tovo: I've posted quite a few follow-up questions on the message board and I don't intend to ask them all tonight but there are a couple you may be able to answer. As you know, the original agreement talked about 650 units.

>> Uh-huh.

>> Tovo: Ownership opportunities that would be made available at a rate that would be affordable to 80% mfi. There's been discussion among the council, in the council discussions, that this is -- that we have an option but not an obligation to purchase the lot or lots and units. If the council at some future point declined to purchase those, would your company still follow through and make sure that the number at the end of the project's build-out still had 650 units that were offered at a price available --

>> Yeah, it's ten percent of the units, so whether it's 650 or 700 or 800, whatever it is, whatever the number is, that's what we committed to. I think what we're working with is the permanent affordability. I would like to think that if we can't figure out how to do permanent affordability, I don't want to create a scenario where we're back to the mud deal, whereby anybody can show up and buy it as a reduced rate.

[11:56:19 PM]

So I think that's all to be determined in that agreement, in the second agreement, but know that our mission is to provide affordable housing to people that need it and not provide affordable housing at a price that suits people that need it, but that is not accessible to them because they can't show up and pay cash for it, or because they can't move quick enough to qualify for the loan or something like that. So I agree in theory with what you're talking about, it is our obligation, and it's our commitment to provide 10%. The mechanics of how all that shakes out is what is to be determined in that agreement.

>> Tovo: I really appreciate that commitment. I think it just speaks very well of your company. And particularly your commitment to making sure that those end up -- those units end up in the hands of people that really need them.

>> Right.

>> Tovo: However, in looking through this agreement, I just have to say I don't see a mechanism, and it may be that I'm missing it, but I don't see a mechanism in this ordinance that was passed that would allow for that shift. What I see is a mechanism that allows the city the option of purchasing lots and/or lots and units. I don't see a mechanism for if the city says, look, we don't -- we're not going to use the money in that way. Let me say, one, I don't see an option for doing anything else with that money, and that's something that I hope we can get on you are legal staff to weigh in on. I don't think the ordinance allows for an alternative. And then secondly, where we - even if it did and some future council takes that alternative, I don't see an option for

that responsibility shifting back to the developer to create those units and offer them for sale. So, again, it may be that I'm missing it. It's a 200, 300 --

>> It may not be in the ordinance. Our goal was to create a scenario that kind of laid the framework, and then the agreement that is subject to part E or whatever that section -- part 8, section E, that says we're going to go cut another agreement that really Irons out the details, I think back to that point, if we can hash out that agreement and kind of work through the nuts and bolts of how that works, engaged I think that would be important.

[11:58:32 PM]

One of the things to consider that, if the city kind of says no for a couple years in a way, and especially at the end of the project, we may end up with an entire section of homes that would then be required to be affordable.

>> Tovo: Right.

>> And it's been everybody's opinion all along the way that the units be interspersed. And, in fact, that's actually in the ordinance.

>> Tovo: Then you'd be in violation of that part of the agreement.

>> Empathetic. Agreement.

>> -- Exactly. I would say in theory it's a good idea, but it's going to be part of that second agreement that we cut, that's exactly how it shakes out. And in theory, you know, there's only maybe 20 or 30 affordable units a year that are coming out of this project. So, hopefully, we wouldn't get hopefully we wouldn't get in a position where the city is for six years in a row they're like, no, we don't want any affordable units and where we end up with a huge amount of units that we're interested in putting on the ground but that then end up altogether. And so that's all part of that agreement. But you're right, it's not in the ordinance, and it wasn't intended to be.

>> Tovo: Well, okay. I think we -- I mean, it may not have been intended to be, but it's -- the ordinance is real clear on a very different process. And so, again, I think we need our legal staff to weigh in on how alterable this ordinance is when it's very clear about certain of those things. Okay. But let me ask you one other question. At what point during the development process are you providing the deposits to the Austin housing finance corporation?

>> I've got an invoice on my desk for a portion of that off-site wastewater line for about \$67,000 that we're -- we're -- that has been waived by city staff as part of the smart housing program that we're ready to go deposit in the account. And the specific account and where it's located and who is part of that may be board of directors, that board of advisors that manages that account needs to be hashed out pretty quick because we're already having fees that have been waived by the city and need to be deposited into said account.

[12:00:45 AM]

>> Tovo: What's the process going understood what will happen if the city gets to a point whether it wants to purchase a lot but the fees aren't sufficient?

>> That's a good point. So the process now is -- I mean, we're going to start making deposits now as the -- as the fees are waived by the city, you know, per the ordinance. We're probably 12 months from actually having a unit on the ground that will be part of the affordable program. Just based on having plats working through the process right now and getting builders signed up and ready to go. So the process

will be that we're going to deposit funds for, you know -- until that first unit comes on the ground, and hopefully we can buildup a little bit of a nest egg but part of that accrual if we needing to buy 20 lots and there's only money for ten, then, you know, part of that will be hashed out, again, in that agreement. I hate to sound like a broken record at this point but it would be my assumption we can work something out where the fund then has like maybe brook field takes a note back to the fund so when the funds are available it repays that loan. Or there's some way to account insofar and we just defer collecting that true a later date when there are funds in the account. That's the way that sounds simple in my head but my hope is that there's enough money in there over the next year or two to kind of pad that throughout the rest of the development.

>> Tovo: I guess this is sort of my last question but when you say that you're a certain period of time away from an affordable unit being on the ground, how does that -- how does that affordable unit get on the ground? Doesn't it need to be purchased by the city? I mean, as the agreement looks, it looks like the city then has to purchase it, that you're not providing it. But, again, this is --

>> So I think the ordinance provides for units and lots.

[12:02:45 AM]

>> Tovo: It does, yeah.

>> So part of the -- part of this agreement is going to be -- and okay. So to take a step back, we've -- the housing finance corporation and everybody that we've talked to and us included desire to have our builders that are already out there building houses provide these homes as well. So to provide as much continuity as possible. So the mechanics of when the lot gets transferred to the community land trust will be ironed out as part of that, but because there's interim construction financing associated with actually building the house and the need for the builders to maybe put a lien on the lot in order to provide the interim construction funding until the home buyers show up at the end with their mortgage check provides the opportunity to kind of create a little bit more of a system where we might actually provide finished units to the -- to the city and then it's decoupled at that point from the lot and the improvements. So there's -- so, again, back to the agreement. There's a lot to be ironed out in it. But the reason, back to your original question, the reason we're 12 months from being able to have that first unit on the ground is because we've got plats in the process currently that need to be finalized and we need to build the roads and infrastructure and then houses will get built. So maybe first part of 2017 we would have units on the ground.

>> Tovo: And the prices that the city would pay for those, as I read the ordinance, are all more or less to be determined?

>> Correct.

>> Tovo: By the agreement.

>> Correct.

>> Tovo: Okay.

>> Because there's a function of early on -- I mean, we'll be able to set a price pretty firmly on early units, but the question and the reason why we didn't set a price now and as part of the ordinance is because in five, ten, 15 years, as construction costs continue to rise, we need to figure out where mfi is because the subsidy required to get that house down to a -- an 80% qualification level may be a larger number.

[12:04:57 AM]

So early on could be small. Later on in the development the number could be bigger.

>> Tovo: Which would mean the city's cost for those units could increase over time? Will increase over time, likely.

>> I mean I think that everybody's costs increase over time. So, I mean, yes, in answer to your question.

>> Tovo: But, again, shifting from the original agreement, which would have required you to produce 650 units throughout the build-out and bear those increased costs, it seems to me that the city is --

>> We're still bearing the increase in the cost. It's a function of costs just go up over time. So it's not that anybody -- it's into the any one person or any one entity is bearing all of the cost. It's that -- it's that as costs rise, hopefully, median income moves with it and so, therefore, the subsidy tags pretty stagnant over the life of the project. As we've seen over the last five or seven years wages have stayed flat and costs have gone through the ceiling. So that's another difference between the M.U.D. Agreement versus what we're working with today, is that when we struck the deal in the M.U.D. Agreement, we believed that market rate on some of the smaller units out there would be affordable to 80% mfi buyers and now today that's just not the case.

>> Tovo: All right. I appreciate your information. Thank you very much.

>> Yeah, you bet.

>> Casar: Mayor?

>> Mayor Adler: Yes.

>> Casar: I think I spoke over councilmember Gallo? Okay. I just wanted to actually follow up on this particular line of questioning because I want to see if I understand one part of this. At the risk of sounding silly at midnight after having taken a couple aspirin. The -- there's been some folks that have said there's no controlling mechanism to make sure that the city gets the housing at a discounted price, but my understanding -- and maybe the mayor, councilmember Garza or anybody else can interrupt me if I'm off, is that if we have the option to purchase or not purchase ourselves, then if we don't purchase, then the developer has to sell at 80% mfi.

[12:07:05 AM]

Is that -- does that make sense?

>> I think it does, and I think that's to be determined in the -- because, again, back to if you waive everything and we get to the end and there's a big section -- I mean, I just think that's to be determined.

>> Casar: I understand. We don't want all the affordable units to be at the end of the project.

>> All together, right.

>> Casar: I think the point being if in the end, the way this is structured, is that the developer either has to sell at 80 marches mfi or sell it to the city, and there's some incentive to make sure that and I has negotiated at that low or below price because the option is to sell to another buyer at a below-market price.

>> I think that is to be determined in the agreement because there's nothing in the ordinance that says -- that speaks to what happens if the city doesn't want to buy the units.

>> Casar: But from what you mentioned to me earlier, you said as long as the -- if

the city passes the developer just has to do what was contemplated on second reading, which is sell for one-time affordability at 80% mfi, then it's all the same potatoes to y'all.

>> I think what we talked about before is that if our obligation is satisfied in the ordinance.

>> Casar: Right.

>> By offering the lots, that our obligation would then be satisfied and then we would then turn around and sell I guess at market price but, again, I don't know how you unwind the transaction because the home builder -- it's to be determined. I mean, I think that's too difficult to hash out at, like you said, midnight on the dais here.

>> Casar: Okay.

>> Mayor Adler: Those were the questions I asked you when we were passing it at the end that, there still had to be a discount somehow or another above and beyond what was otherwise done so you wouldn't be making money on this deal, that you'd be in the same place financially.

>> Right.

>> Mayor Adler: Yes.

[12:09:06 AM]

>> Mayor Adler: Yes, Ms. Gallo.

>> Gallo: I'm going to take mayor pro tem tovo's conversation and ask legal that question because part of the concern is that we have almost \$100 million that's being diverted from the water department, development services and some other departments, and the implement -- the conversation -- can't talk anymore -- the conversation is implying the city can choose to redirect those back to those departments and I'm just -- I'm not seeing whether we have that ability, and I'm reading the motion sheet from the December vote for the ordinance, and in part 8c1 it says by making at least 10% of the ownership units available for permanent affordability participation in smart housing allows for 100% of fee waivers for all residential units within the P.U.D. The land owner agrees to deposit in the fund the exact amounts received for the development. These funds will be made available to the Austin housing finance corporation or other entity designated by the city for the purchase of lots or units within the pilot knob P.U.D. At a sales price agreed by both parties, down payment assistance for qualified buyers purchasing housed within the P.U.D., construction of affordable community costs associated with administering the affordable ownership program and other expenditures agreed upon by the city. The only possible place that it gives us some other ability to redirect those back would be the other expenditures agreed upon by the city, but everything that is referenced in that section is all affordable housing references. So my question to legal is, it's been implied that we have the ability within this ordinance to redirect these funds back to the water department or building services. And I just -- if we do, I'd like to understand where that is and what we passed.

[12:11:09 AM]

>> So you've asked us that earlier today and it's something we're looking into. I'm not prepared here to say that. You've read the words that are very clear on the page, and it's a question we're going to look into.

>> Gallo: Okay. All right. And I would just -- I'm just going to continue on with that. I -

- because we did not have a fiscal impact when we voted on this in December, I did not realize -- and I apologize, there's a lot of things we had to keep up with, but fiscal impact information that comes up to us as backup and is with what we have to look at when we talk about things is really critical, but, number 1, the expectation in my mind was not that 100% of the fees would be waived. And usually only because it's land trust do we get to the hundred percent otherwise the 10 percent would trigger 25% in fee waivers. It's not your fault and we appreciate you being here. You know, I think it's as we discuss these items, it's important for us to have all the information and we just -- I don't feel like we did at that point. So it sounds like we've got legal questions that still need to be addressed, concerned once again that a lot of us vote on the things in December that perhaps we didn't understand the full fiscal impact but thank you for being here so late at night to help answer questions.

>> You bet. Idea we'd like to help clarify the fiscal impact as well. Because obviously we'd like to know, you know, the idea of including these -- the smart housing program was so that no one entity, the city, the home builder, the developer, the taxpayers, are burdened with providing affordable housing throughout the city. So I think we're as interested in kind of figuring out what tools are available and what all that equates to as much as you guys are. So.

>> Gallo: Just to clarify, that's not -- that's not what I said at all, holding you responsible for any of that.

[12:13:13 AM]

>> No, no, totally.

>> Gallo: The fiscal impact I'm talking about is the fiscal impact of our decisions on the city departments that are impacted.

>> Absolutely. I totally understand.

>> Gallo: It wasn't --

>> No, no, totally administration I'm just hear to say we want to understand it just like do you. We're in the same boat.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. I want to say, again, I appreciate councilmember Gallo reading those specific words, and I think to me it's very clear that what she just read, it constrains the developer in stating where money is going to go. It constrains the housing corporation on how money could be spent. It says nothing about the council's ability to set priorities in budgeting. It does not constrain the council. It constrains the developer, here's what you're going to do. It constrains the housing corporation, here's what you're going to do it does not constrain the city council in how we budget and decide what to do with those funds.

>> Mayor Adler: Okay. The next speaker we have -- thank you, Mr. Campbell. Next speaker is Evan Gill. After Evan Gill is Mercedes Ferris. Stewart Hirsch. Lisa Harris. Those are all the speakers that we have.

>> Gallo: Mayor, could I ask legal how -- when -- when you think we would have an answer to that question? I'm just trying to get a timing idea of how we move forward with this.

>> I think that we can answer the question next week.

>> Gallo: Okay. Thank you.

[12:15:13 AM]

>> Mayor Adler: I have an amendment. I mean, I would like to either postpone the whole thing until we can get those answers or until we can see the agreement to see how those answers to those questions and my first thought was to try to suggest that we just postpone this, waiting for that. Alternatively, I've handed out an amendment a, which allows part of it to move forward, which I think would be good and helpful information. So I would move amendment a. Is there a second to that? Ms. Kitchen seconds that. Is there discussion on the amendment? Mr. Zimmerman.

>> Zimmerman: Well, Mr. Mayor, I have a point of inquiry. If we were to postpone the whole issue, what meeting might it come back? What's the soonest meeting that it could come back on if we eventually postpone this?

>> Mayor Adler: For the two pieces of information that I'm missing that I'd like to get back would be that agreement so that I can see that and the legal answers with respect to governments and the like -- governance and the like. So I would say probably four weeks. Probably give time for the agreement to happen and be able to work through that. I don't know. Is that reasonable to outline an agreement if the city was working with you, at least conceptually? Does that work? Okay. Ms. Tovo.

>> Tovo: Well, mayor, it would seem to me that really the legal question will determine whether or not the agreement can modify the ordinance. You know, it sounds just from previous discussions we've had that probably an ordinance is necessary to modify an ordinance. And if the language on this -- in this ordinance has to be interpreted as specifically as it currently is, then --

[12:17:14 AM]

>> Mayor Adler: I think that's fair.

>> Tovo: No agreement can modify it.

>> Mayor Adler: I think that's fair. I'd want to wait at least for the legal determination before we initiated a change. Mr. Renteria.

>> Renteria: Mayor, I want to know if -- if we go and redo the ordinance, whether we're also going to have the opportunity -- if we have other funding besides surplus funds that we could buy these lots with, would it also be possible to do that -- go that way? In case, you know, at the end of the year we have some extra money that came in that we should be able to -- should look into being able to purchase these lots at a discount for land trust besides using the wastewater treatment.

>> Mayor Adler: I think that's a good question, and I think that's a good question for legal to look at as well with respect to this agreement. First the governance -- there's the strict interpretation question that everyone has been going forth on the dais today. There's the separate general governance question, which wouldn't relate to any of the words that are in that agreement in terms of what power the city has in that dual capacity of the city, which is not necessarily dependent on the words. And Mr. Renteria asks the additional question that if the developer was obligated to make lots available to us in a certain way, is there a way for us to take funds from other places to be able to exercise that option. That would also be, I think, a good question. Mr. Casar.

>> Casar: I would ask that we either -- potentially vote on the postponement first and then on the amendment. I would support the amendment because I'm not ready to start initiating amendments to the pilot knob case until we have the agreement around affordability in front of us so we know sort what have whole deal is before anybody starts talking about reopening it.

[12:19:26 AM]

And I just want to say that I read the language in the P.U.D. Very differently than councilmember Gallo or the mayor pro tem read it. I think that I -- and would hope that we're able to write a separate ordinance that does not come into conflict but instead just adds on to and clarifies what's in the agreement such that we can lay out how we discount those lots and how that mechanism works and then, I think, it makes sense for it to be clear what our ability is to -- our ability to move the money around as we wish to different affordable housing projects or to different pots of money in the city in a way that still makes it work, the P.U.D. Agreement work. And in that -- finally, as the mayor pro tem is concerned, that we get no less affordability in the deal if we choose not to invest the money at this site because this is supposed to be adding affordability and so we should make sure we're not getting anything less than what we got on second reading. And what I've heard, you know, back in December and then also, again, here tonight is that's the intention of this -- of the entire deal from the beginning, is that this is a way for us to get a permanent affordability there because it makes no difference on the developer side whether they sell the house at 80% mfi to somebody else who might just flip it and make a bunch of money or -- because the developer is not going to make the extra money that the home buyer makes on the flip, or if they sell it to us for permanent affordability. So I think it's really smart for us to have the option to buy, but at the same time, if we have the option to move the money around wherever we'd like, then that leaves the council's hands open to basically just be using this as a revenue stream for affordable housing and the last point that I'll make is that I hear people's point that maybe it's not the best for it to be coming so much from the water utility.

[12:21:26 AM]

If somebody comes up with a proposal to fund the affordability housing fund just as much but from a variety of other sources, then I'm game to talk about it. But we're in a crisis that we need to be funding that, that work, and I appreciate councilmember Garza's and the mayor's work to figure out a way to do that.

>> Mayor Adler: So I think Mr. Casar raises a fourth level of questions as we pile that on, Ms. Morgan, which would be if we were going to make ordinance changes, what are the options for us in terms of how we could make ordinance changes to effect what the understanding was if what already exists does not do that? Ms. Troxclair.

>> Troxclair: I don't know whether to speak on my resolution or against your amendment, but I guess I'll speak against your amendment. I mean, all of the questions and the conversation tonight can be addressed by supporting my resolution as-is. The -- this entire conversation exposed the major failures that we had in the process, and that's what my resolution is about. It's not about whether you're for or against affordable housing. It's not whether you're about -- for or against the water utility. It's just about we should have -- we have the right to have all of the information before we make this decision. And that's all this resolution does, is allows us to turn back the clock, go back to December 17, and have the thorough discussion about what impact this is going to have on our community and what is the best way for us to address affordable housing going forward before we make this kind of decision. So although I understand that there may be ways to, you know, address the implementation going forward or we want to understand what the details of the affordability agreement might be, the bottom line is what -- what it doesn't do is allow us to go back and say, is this the best way to fund affordable housing?

[12:23:46 AM]

And that is where -- that is the conversation that we should be having right now. We shouldn't be having a conversation where we're trying to -- we're trying to understand the facts or we're trying to -- this may be -- this may be the best way, but I feel like, as a council, we should demand that there's a process in place that we have these kinds of questions answered before we vote on something that's so huge. I mean, councilmember Casar just now, at the beginning of your conversation -- or at the beginning of your comments, you said that basically you just want to have a couple more weeks to know what -- to, quote, know what the whole deal is before we make a decision on the zoning change. We should know what the whole deal is -- we should have known what the whole deal was before we made this decision in the first place. And all this resolution does is give us the opportunity to do that. So I just -- you know, I'm -- I hope that the other councilmembers will see that this is -- this is the way that we should demand our process work and just because you support reopening the zoning case does not mean that you don't support the affordable housing. I think that there are people who are cosponsors on this resolution and possibly people who are on this dais who see that the process did not work correctly in this case. And that it's not right for us to be making a \$100 million decision to almost -- almost two months after the fact. So it's really just about righting that wrong and being true to -- you know, practicing what we always preach about transparency and letting the public know what's going on and all these other things. That's all this ordinance does. So I hope that we can -- that we can do that, we can turn back the clock on the -- I do not support the mayor's amendment because I think that it digs us deeper into this place where we're pushed into a rock and a hard place.

[12:26:01 AM]

Either we support affordable housing and we don't support the water utility or -- it doesn't have to be that choice. I think -- so, anyway, thanks.

>> Mayor Adler: Okay. Mr. Zimmerman.

>> Zimmerman: Thank you. I wanted to move that we postpone this item 19 to March the 3.

>> Mayor Adler: Move we postpone to March 3, seconded by Ms. Kitchen. Any discussion on the postponement? Mayor pro tem.

>> Tovo: Well, I wonder if we could ask our legal counsel. It sounded like they would have a decision or some advice for us about the zoning by next week. I mean, not the zoning, the question of the ordinance.

>> I think that we're going to look into the legal issues that have been raised earlier today and this evening and we'll try and put something together in writing to you next week.

>> Tovo: Okay, thanks.

>> Zimmerman: I'll accept a friendly amendment if you want to bump it up. You want to suggest the 25th? Or soon center.

>> Tovo: I'll let somebody else.

>> Zimmerman: Do you want to do it?

>> Mayor Adler: Move to postpone to March 3. Any further debate? Yes, Ms. Troxclair.

>> Troxclair: I don't think the -- that postponing -- again, even if the answer -- even if the answer -- they answer questions about what could be done to make changes to the

ordinance, it doesn't right the wrong that happened in December, where we were forced into this deal without having a full understanding of it. So I just -- I don't think -- this isn't the process. This shouldn't be the process that we settle for.

>> Mayor Adler: Yes, Ms. Kitchen.

>> Kitchen: I support postponing it.

>> Mayor Adler: You have to push your speaker.

>> Kitchen: I support postponing it because we need more information. I don't see -- I appreciate what you're trying to do with this, councilmember troxclair, but the language of this doesn't right the wrong. I mean, it says to initiate amendments.

[12:28:01 AM]

Well, what amendments? I mean, it doesn't really -- it's not ready. So I think the first - you know, we could vote on the first part of it. We could vote on the -- the mayor's amendment or we could just postpone it until we have some more information. That doesn't mean that we're not going to move forward with changes and that doesn't mean that we're not going to right the wrong but it is, you know, 12:30 at night and we don't have all the information that we need. And so I think the prudent thing to do is to postpone it and get the information.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: I'd like to speak in favor of the postponement. I'm in support of what councilmember troxclair is trying to do. I'm -- if it comes to it, I'm prepared to vote in favor of councilmember troxclair's motion here, but for the reasons councilmember kitchen mentioned, I just think it should be postponed. But if you want to vote down the postponement, I'd be willing to vote in favor of the ordinance as you wrote it -- I mean, the resolution as you wrote it.

>> Mayor Adler: Ms. Pool.

>> Pool: If we postpone as opposed to, for example, passing the mayor's amendment, then are we going to lose time for staff to dig into the financial analysis and the briefing that we were asking for? What I would like to do is move forward with that starting today rather than waiting for a number of weeks to do that. We did talk during the work session about the possibility of separating the question because having the information is important and as a way to try to find -- find something to continue the conversation and get the information we need, I would offer that as a suggested approach rather than simply postponing. I would like to move forward with a portion of it at the very least.

[12:30:02 AM]

>> Kitchen: I'm fine with that. I would hope that the city manager is doing this financial analysis whether we pass the resolution or not. But I'm okay with passing, you know, this amendment that the mayor put out.

>> Pool: Mayor, would you like to move your amendment?

>> Mayor Adler: There's been a -- there's a pending motion to postpone. And I -- it's just a short period of time I think we could pick up that rather than splitting it, but we could split it up. I'd be fine with that too and moving forward with the first paragraph and a half, the first one and a half and then postponing the second one and a half until March 3. That would be fine by me. Does that work for people? So let's split the question.

>> Tovo: I guess I would ask councilmember troxclair, and I would also say it's

probably 61, 1/2 a dozen the other. I know councilmember pool has submitted ten or so questions, I've submitted another 20 based on -- the staff are going to be respond to go our questions just based on the fact that those are punning and I assume that that will happen one way or the other.

>> Mayor Adler: I think we have a lot of questions that are coming in so the question, do you want to -- do you want the first one and a half sections to move forward before -- so let's split it in half. So the first motion on the floor is going to be to approve the first whereas -- the first resolved clause and the second resolved clause as amended, to approve those. And then the second question will be to postpone what is the second half of the first -- of the second resolved clause and the third resolved clause.

>> Pool: Mayor, I would second that but a point of order. Do we need to deal with the postponement -- or is that --

>> Mayor Adler: Are you okay with us proceeding that way, Mr. Zimmerman.

>> Pool: Maybe the postponement would be withdrawn.

[12:32:04 AM]

>> Zimmerman: I'm okay withdrawing the postponement.

>> Mayor Adler: Okay.

>> Pool: I'd be happy to second the motion you just made, mayor.

>> Mayor Adler: It's been moved and seconded by Ms. Pool to approve the first resolved clause and the first sentence of the second resolved clause. As shown on Adler amendment a. Any further debate? Those in favor please raise your hand. Those opposed? It's unanimous on the dais. Then it's moved to postpone the action with respect to initiating an amendment to change the ordinance until March 3. Second for that? Mr. Zimmerman. Further debate on that? Those in favor of that postponement -- oops, I'm sorry?

>> Tovo: Sorry to slow us down.

>> Mayor Adler: No, no.

>> Tovo: But I did want to just discuss this briefly. I'm agnostic -- I mean, I think it makes sense to get some more information but just -- I just wanted to share with my colleagues that this is clearly, I think, been a hard issue for our council. It's probably one of the harder ones that I can remember on council, and did one that I've agonized over, lost sleep over in part because I'm extremely committed to creating affordable housing and want to spend a lot of my remaining term working and you I appreciate my colleagues who have worked very hard on this creative solution. So, you know, part of the difficulty for me is that I know this is a very important -- this is a very important step forward, I think, in trying to figure out how to create permanent affordability on that property. But in the end, as I've expressed, I've expressed some of these points, but I'm going to list them. I am concerned about the funding mechanism and the shift and the way in which it's -- at least as crafted in the ordinance right now, it will fall on the backs of ratepayers. Some of whom can weather that kind of an increase in their monthly bill, some of whom can't and may never be able to have the level of income that would qualify them for one of the houses.

[12:34:12 AM]

I'm concerned also about the value relative to our other affordable housing initiatives. I appreciate the housing department for continuing to help us evaluate that question, but

it does seem to me it's out of scale with the others, though, again, the information we got today suggests it may not. And I'm also concerned, as we've talked about, about the valves vee the original agreement. At the end of the day I may support this very agreement but I just -- for me I cannot get really past the fact that I cast an uninformed vote back in December. That is my responsibility to cast an informed vote and I own that mistake. And it is a mistake, and, you know, I -- one of my constituents is the one who raised the questions, as did my water and wastewater councilmember Renteria. So it's no -- commissioner so it's no fun to find out on a delay in we missed some major by the people -- at least one of the people that I represent that I overlooked a major element of the deal we made. But, you know, at the end of the day, I think even with a lower number of units that that price will -- that initiate development will comedown, but we're still -- it would seem to me, talking about an \$82 million investment. The language seems pretty clear it's hard to shift around. I appreciate that everybody is willing to work toward language in one avenue or another that would accomplish more flexibility in terms of that but at the end of the day it's still an \$82 million investment and I don't feel that we asked the community if we're making an \$82 million to a \$100 million housing investment, is that how you want to invest it, at this affordability level, all in one project? You know, and so in the end, I'm going to probably end up being support supportive of a process that allows us to get that feedback in whatever means it is because I think these are issues that we needed to talk to our community about and we needed to have feedback from staff.

[12:36:17 AM]

>> Mayor Adler: I'm going to talk for a second. I'm trying to bite my tongue as best I could on this for the longest time as we go through because I think it's important for information to come out and for people to be able to see it. But I think that a lot of Numbers that have been spread around, we know, are simply not true. We have a wastewater estimate based on 2010, 2011 Numbers that we know undisputed don't relate to what the project has been or what the traffic impact analysis allows for. So the Numbers that people keep mentioning, throwing around, I just need to speak up because if we don't, people will actually think that those are really the real Numbers and we know -- we know that they're not. And we also know that in this city, for all the good work that we have done in trying to do something about housing for a long time, we have failed. We've done housing bonds for a long time, and we have failed and we are the most economically segregated city showing that what we've done, we've failed. And we have a great housing need, and to do a housing bond the way we've done them every several years is not getting to us where it is that we need to go in this city. We have to try some things that are new and I hope that the exercise that we go through with respect to this will help us come to new things because the old tired things we've tried don't work. And I am real comfortable and welcome taking a look at this if the assumptions that we made with respect to the flexibility that we had in this, then I think that we do need to -- to fix them and to make them work the way that we intended them to, where -- we have a partner in this, a developer, who has indicated a willingness to -- to do that. But to strike out as we have, to say we're actually going to do something about affordability in this city, I think, was a bold act, an important act that this council took, and I'm proud to be part of that act.

[12:38:26 AM]

Because we do need to be creative and try new things. And I welcome everybody in all the offices to join in on trying to be creative and think of new things for us to do. But the suggestion that we've created a hole I don't think is right. The suggestion that the whole is 80 to \$100 million I don't think is right. The suggestion that what we've done is taxing renters and folks I don't think is right. I don't think it is. But, I think, that one of the things that we're doing about this is we're trying to answer some of those questions and to the degree that what everybody intended to do isn't something that turns out, well, then, absolutely I want to fix it. Because I don't know and I haven't heard anybody sayeth that what it was -- sayeth that what it was say yet what it was we intended to do and thought we were going to do was something people don't like and wouldn't support because it gives the city the flexibility to be able to use the money where we're able to use the money and not use the money where we're not able to use the money. Best as I can tell everybody is still supportive of what it was we're were trying to do and I'm encouraged by that and proud to be on the dais with a group of people that feel that way. I think what we have to do is figure out what's the best way for us, if what we haven't done doesn't get us there -- and I'm not convinced of that yet -- then we find out what we need to do in order to be able to effect what it was we were trying to do, which, again, does not create a hole or put a burden on any renter or bust the bank or force us to make water insolvent or any of those things. And that's why I supported this -- continue to support this and why I join in the search for the answers to these questions. The motion is to postpone the consideration of the actual initiation of changing the deal.

[12:40:34 AM]

Is there any further discussion? Ms. Troxclair.

>> Troxclair: I just -- I just have to say, again, to your comments, you just said, quote, this was a bold action that we took to address affordability. It's a bold action that you and councilmember Garza and our housing staff took to address affordability with the rest of us completely in the dark. And I just -- I think that we -- I think that we deserve more respect than that in the process. And I think that if any other -- you know, I -- I shutter to think what would have happened if I had done something that the rest of the council found out later would have had such a significant impact on our city without -- without -- whether it was purposeful or not. And I know that it wasn't purposeful in this case. I don't see that I would then turn around and ask the -- not give the rest of the council the opportunity to make an informed decision. And so I just -- I hope that you will be understanding of that. And I don't mean to imply that -- I don't think that any of the people that were involved in this did do it on purpose. I think that y'all had the best -- I think you still do have the best intentions and like I said maybe at the end of the day the council will agree that that was the best way forward. But I just -- I just want to underscore that we have to -- a lot of the -- a lot of the difficult place that's this council has found ourself in in the past, you know, few weeks, few months has been because we haven't respected a process. And so, I mean, I don't -- I would like to move forward with the rest of the resolution as-is tonight and allow us that opportunity to have these conversations, to have these questions answered, and to make sure that we all have all the information that we need.

[12:42:35 AM]

But I understand if that's not the will of the council.

>> Mayor Adler: Boy, it didn't take long for the tributes to end, did it?

[Laughter]

>> Mayor Adler: Yes, Ms. Kitchen.

>> Kitchen: I'd like to just say one thing and that is simply I own the fact that I didn't dig into this in the detail that I should have. I'm not imposing to blame anybody else. I don't think that information was kept from us. I think perhaps it would have been better if it had been brought to light so that we could have discussed it without having to read it -- you know, without having to know to read it, but I don't think that the information was hidden from us and I do think it was -- it's our responsibility to dig into the details. So I think that's a little bit of an unfair charge. And I also think it's a little bit unfair to say if we postpone this to March 3 that we're not trying to go down the road to correct it. Nor are we trying to go down the road we don't -- road where we don't have the information. So I really appreciate bringing this forward and -- but I think you're overstating it, and I think it's not fair to the rest of us.

>> Mayor Adler: There's been a motion and a second to postpone until March 3. Any further discussion? Those in favor of the postponement please raise your hand. Garza, kitchen, Adler, Renteria, Zimmerman and pool. Those opposed to the postponement? What? And Casar. I'm sorry, let's do it again. Those in favor of the postponement please raise your hand. Those opposed to the postponement is Ms. Houston and Ms. Troxclair. Anyone else northern district of California then it's 9-2 on the -- then it's 9-2 on the dais. I think that ends us for this evening. All in a day's work. We stand adjourned.