

**City Council Questions and Answers for
Thursday, June 16, 2016**

These questions and answers are related to the
Austin City Council meeting that will convene at 10:00 AM on
Thursday, June 16, 2016 at Austin City Hall
301 W. Second Street, Austin, TX



Mayor Steve Adler
Mayor Pro Tem Kathie Tovo, District 9
Council Member Ora Houston, District 1
Council Member Delia Garza, District 2
Council Member Sabino ☐Pio☐ Renteria, District 3
Council Member Gregorio Casar, District 4
Council Member Ann Kitchen, District 5
Council Member Don Zimmerman, District 6
Council Member Leslie Pool, District 7
Council Member Ellen Troxclair, District 8
Council Member Sheri Gallo, District 10

The City Council Questions and Answers Report was derived from a need to provide City Council Members an opportunity to solicit clarifying information from City Departments as it relates to requests for council action. After a City Council Regular Meeting agenda has been published, Council Members will have the opportunity to ask questions of departments via the City Manager's Agenda Office. This process continues until 5:00 p.m. the Tuesday before the Council meeting. The final report is distributed at noon to City Council the Wednesday before the council meeting.

QUESTIONS FROM COUNCIL

1. Agenda Item # 16: Authorize negotiation and execution of a 16-month contract with RILEY WELCH LAPORTE & ASSOCIATES FORENSIC LABORATORIES, or one of the other qualified offerors to Request for Proposals EAD0127, for the technical review of the sexual assault backlog elimination program in an amount not to exceed \$216,000.
 - a. QUESTION: 1) How many APD sexual assault kits are backlogged? 2) How long have they been backlogged? 3) To what degree is testing compliant with Texas Government Code 420.042's requirement that law enforcement agencies submit sexual assault evidence to a crime laboratory within 30 days of receiving it? 4) Is the current backlog related to crime lab priorities for various types of crimes? COUNCIL MEMBER GARZA'S OFFICE
 - b. ANSWER: 1) There are approximately 2,700 backlogged sexual assault kits. 2) While the kits have varying dates of how long they have been backlogged, some date back to 1990. 3) This contract does not pertain to the testing of any new kits and is only for the technical review of the backlogged kits dating from 1990 - 2011. 4) The current backlog is not related to crime lab priorities for various types of crimes.
2. Agenda Item # 30: Approve a resolution providing additional direction to the City Manager with respect to the management of the Housing Trust Fund.
 - a. QUESTION: The language creating the Affordable Housing Trust Fund describes its purpose as "to create housing opportunities for persons residing in Austin . . ." with the goal of "preserv[ing] or creat[ing] reasonably priced housing opportunities in Austin." This language appears to be broad enough to support using the Trust Fund for case management services for individuals experiencing homelessness, rental assistance, and other non-construction, housing-related services. Please confirm that assumption. If the language does not support that kind of use, please suggest language that could be added to this resolution to effect that change. MAYOR PRO TEM TOVO'S OFFICE
 - b. ANSWER: The ordinance and exhibit was reviewed and staff finds that the purpose behind the creation of the HTF allows for case management services

for residents exiting homelessness. The highlighted portion speaks to the flexibility in use of HTF funds for areas/gaps identified in the Consolidated Plan that are not eligible for federal funding. Please see Page 1 of Exhibit A in the attachment for the following section on the purpose of HTF: The Program is designed in accordance with Section 380.001, Local Government Code, to promote local economic development, to stimulate business and commercial activity in Austin, and to create housing opportunities for persons residing in Austin that address gaps in available funding as described in the Consolidated Plan. The Program grants financial assistance to the Recipient to carry out these purposes. Grant Funds are intended to allow Recipient more flexibility to address the gaps identified in the Consolidated Plan that are not eligible activities for the use of federal funds


- c. QUESTION: 1) Please provide current balance of the Housing Trust Fund (HTF). 2) Please provide the amount of the annual tax transfer into HTF since adoption of the Fund. 3) Please provide the expected loss to the General Fund for the additional increase in the percentage transfer to the HTF. 4) Please list all properties in the Desired Development Zones and the properties that this ordinance both currently impacts and will impact in future taxing year. Please also provide the associated tax values. 5) Please provide a list of all properties classified as former State owned properties (including properties formally owned by public universities) that are on the tax rolls and the associated tax values. 6) Please provide the expected loss to the General Fund for the additional public land not currently transferred to the HTF. 7) Please provide a sample calculation should this ordinance been in effect last year and what the resulting tax impact would have been on the average homeowner's tax bill/rate. COUNCIL MEMBER GALLO'S OFFICE
- d. ANSWER: 1) As of the close of fiscal year 2014-15, the Housing Trust Fund had an ending balance of \$2,852,635. 2) Annual Transfer to HTF: FY09 - \$ 202,624, FY10 - \$ 281,247, FY11 - \$ 350,248, FY12 - \$ 365,031, FY13 - \$ 602,132, FY14 - \$ 775,396, FY15 - \$ 841,849, FY16 - \$ 896,978. 3) The proposed resolution does not propose an increase in the percentage of the property tax revenue from applicable properties transferred to the Housing Trust Fund. This percentage was increased from 40% to 100% by Council Resolution 201510217-074. The fiscal note attached as back-up to that resolution when it was proposed estimated the incremental fiscal year 2016-17 cost to the General Fund at \$1.5 million. 4) As of the current tax year 2016 property roll, there are a total of 156,854 properties in the Desired Development Zone, with a total taxable value of \$79.2 billion. Of these, 5,224 properties are exempt from taxation. The total market value of these exempt properties is \$16.4 billion. Staff have currently identified 13 formerly exempt properties that have entered the tax roll since January 1, 2016. One of these properties was formerly owned by the City of Austin and the remainder were owned by religious organizations. These properties have a combined current 2016 taxable value of \$29.2 million. The formerly State-owned property known as Bull Creek has a current 2016 taxable value of \$54.9 million. At the current tax rate of 45.89 cents per \$100 of taxable value, this combined \$84.1


million in taxable value would increase the General Fund transfer to the Housing Trust Fund by \$385,749 in fiscal year 2016-17. Accurately forecasting the cost in subsequent remains extremely challenging due to lack of knowledge about the level of development that will occur on any sold parcel and because it is impossible to predict in advance how many or which currently tax-exempt parcels will be sold in future years. In broad terms, it can be anticipated that growth in the transfer will outpace growth in overall General Fund property tax revenue and that therefore the transfer will continue to represent a larger and larger relative share of General Fund requirements. 5) No formerly State-owned parcels have entered the City's property tax roll since January 1, 2016. Researching all parcels on the tax rolls that were at any time owned by the State would require a significant commitment of appraisal district staff time and becomes progressively more difficult and time-consuming, the farther into the past research must be conducted. The resolution does not contemplate transferring the value associated with such parcels, but staff could request that the appraisal districts research this information upon direction from Council and the identification of a base tax year from which to begin the analysis. 6) As noted in the response to # 4 above, there are currently 5,224 properties exempt from taxation in the Desired Development Zone with a combined market value of \$16.4 billion. Were all of these properties to enter the tax roll at their current market value, and assuming the current tax rate of 45.89 cents per \$100 of assessed value, the General Fund transfer to the Housing Trust Fund would increase by \$75.3 million. 7) As noted in the response to # 4 above, the projected cost to the General Fund of this change, given the current tax roll, is \$385,749. The average taxable value of a homestead in fiscal year 2015-16 is \$269,542. At the fiscal year 2015-16 tax rate of 45.89 cents per \$100 of taxable value, this increase of \$385,749 would have cost the average homeowner an additional \$0.97 in property taxes.

3. Agenda Item # 72: Conduct a public hearing and consider an ordinance adopting an updated Sidewalk Master Plan / ADA Transition Plan.
 - a. QUESTION: When the City is looking to annex new areas, are sidewalks included in the Annexation Service Plan? Is any cost, either to maintain the current sidewalks in the area looking to be annexed or to build new sidewalks, considered when determining which areas to annex? COUNCIL MEMBER ZIMMERMAN'S OFFICE
 - b. ANSWER: When the City considers new areas to be annexed, the Public Works department, with other departments, perform an assessment of the infrastructure in the area to be annexed. The assessment looks at the condition of the infrastructure, whether or not the infrastructure meets City standards, and if there are gaps that would need to be addressed in the infrastructure. The assessment would determine what the cost would be to maintain the infrastructure as well as the capital improvements that would be necessary to bring the infrastructure to City standards or fill the gaps that have been identified. In general sidewalks are not specifically addressed in City of

Austin Annexation Service Plans. State law is very specific regarding city services that are provided to annexed areas. Sidewalk maintenance and construction are not singled out in a service plan but are covered by language referring to other city services. Existing sidewalk maintenance would be covered by the typical language for Other Services: "All other City Departments with jurisdiction in the area will provide services according to City policy and procedure". Absent sidewalks would be covered by the typical language for Capital Improvements Planning "The annexation area will be included with other territory in connection with planning for new or expanded facilities, functions, and services. " After an area is annexed, the Public Works Department inventories the transportation assets (sidewalks, streets) in the right-of-way and provides a general condition to determine an approximate value for the Governmental Accounting Standards Board Report that it provides to the City's Controller Office.

END OF REPORT - ATTACHMENTS TO FOLLOW

 *The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request.*

 *For assistance, please call 512-974-2210 or TTY users route through 711.*

ORDINANCE NO. 000420-33

AN ORDINANCE CREATING THE HOUSING TRUST FUND GRANT PROGRAM; AMENDING ORDINANCE NO. 990914-1; AND AUTHORIZING A GRANT OF \$1,000,000 TO THE AUSTIN HOUSING FINANCE CORPORATION.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. The City Council finds:

- (A) Under Article III, Section 52-a, Texas Constitution, development and diversification of the economy, elimination of unemployment or underemployment, and the development or expansion of commerce are public purposes.
- (B) Under Section 380.001, Local Government Code, a municipality may establish and provide for a program that achieves economic development through loans or grants of public money and by providing municipal personnel and services to promote economic development and to stimulate business and commercial activity in the municipality.
- (C) Through certain program requirements the City Council can ensure that the public purposes of the Constitution and state law will be met by a City economic development program.
- (D) Creation of a Housing Trust Fund Grant Program will:
 - (1) contribute to the economic development of the City; and
 - (2) assist the City in its objectives to preserve and create reasonably priced housing for City residents, to revitalize neighborhoods, and to build the City's tax base.

PART 2. The Housing Trust Fund Grant Program is created in accordance with Section 380.001, Texas Local Government Code. The City Clerk shall file a copy of the Housing Trust Fund Grant Program Guidelines attached to and incorporated into this ordinance as Exhibit "A" with the minutes of this meeting.

PART 3. The City Manager shall administer the Housing Trust Fund Grant Program.

PART 4. Ordinance No. 990914-1 is amended by appropriating the Housing Trust Fund to finance the Housing Trust Fund Grant Program.

PART 5. The City Manager shall provide a grant of the funds appropriated in Part 4 of this ordinance to Austin Housing Finance Corporation, a Texas public, non-profit corporation in a total amount not to exceed \$1,000,000, for creation of a housing trust fund in accordance with the Housing Trust Fund Grant Program.

PART 6. The grant to the Austin Housing Finance Corporation may only be used as provided in this part.

- (1) An amount up to \$750,000 may be used for the construction of new rental housing units under the City's Housing Implementation Program (HIP Program). The HIP Program guidelines shall be modified to serve individuals at or below 50 percent of Median Family Income and to waive the maximum loan amount requirement.
- (2) The remaining grant amount may be used for a residential loan guarantee program on terms approved by the Board of Directors of the Austin Housing Finance Corporation.

PART 7. The Council directs the City Manager to:

- (1) Identify an additional source of funds other than the General Fund for the City's contribution to the Housing Trust Fund Grant Program.
- (2) Develop a legislative package that would allow the City to offer ad valorem tax break incentives to homeowners rehabilitating their homesteads.
- (3) Prepare a long-term financial plan for the Housing Trust Fund Grant Program.

The City Manager shall prepare for Council a proposal, recommended action and a timeline to complete each proposed directive.

EXHIBIT A

Housing Trust Fund Grant Program

Grant Program Guidelines

I. General Provisions

A. Definitions

1. **"Applicant"** means the recipient of funding under a program created and managed by the Recipient.
2. **"City"** means the City of Austin, Texas.
3. **"Consolidated Plan"** means the five-year Consolidated Plan prepared by the City in accordance with 24 CFR Part 91, as amended from time to time by the City, which sets forth the needs and gaps in funding for meeting the housing needs of the citizens in Austin.
4. **"Eligible Costs"** means the cost that can be paid for with Program funds made available to the Recipient.
5. **"Grant Funds"** means the non-federal funds provided Recipient by City under the Program.
6. **"Program"** means the Housing Trust Fund Grant Program for described in these Program Guidelines.
7. **"Program Guidelines"** means these Housing Trust Fund Grant Program Guidelines.
8. **"Recipient"** means the Austin Housing Finance Corporation.

B. Administration

The City through its Neighborhood Housing and Community Development Department is responsible for the administration of the transfer of grant funds available under the Program to the Recipient.

II. Purpose

The Program is designed in accordance with Section 380.001, Local Government Code, to promote local economic development, to stimulate business and commercial activity in Austin, and to create housing opportunities for persons residing in Austin that address gaps in available funding as described in the Consolidated Plan. The Program grants financial assistance to the Recipient to carryout these purposes. Grant Funds are intended to allow Recipient more flexibility to address the gaps identified in the Consolidated Plan that are not eligible activities for the use of federal funds.

III. Program Goal

The Program will provide resources to the Recipient to develop a housing trust fund which Recipient shall create and manage in accordance with these Program Guidelines and shall use the proceeds of and any revenues generated from the trust fund to assist Applicants preserve or create reasonably priced housing opportunities in Austin. The Program will improve the quantity and

quality of housing opportunities for families through housing and economic development programs designed and implemented by the Recipient.

IV. Compliance with Legal Requirements

All applicable rehabilitation and new construction activities undertaken for a Project shall be in compliance with and maintain appropriate documentation for all federal, state, and local laws, regulations and authorities and any changes in applicable laws, regulations, or authorities are automatically incorporated herein without specific reference.

Dated: 5/01/2000