

## A G E N D A



## Recommendation for Council Action

Austin City Council		Item ID	59681	Agenda Number	33.
Meeting Date:	6/23/2016			Department:	Management Services
Subject					
Approve execution of an interlocal agreement with Travis County for the creation of a Local Government Corporation to manage and operate a planned sobriety center.					
Amount and Source of Funding					
Fiscal Note					
Purchasing Language:					
Prior Council Action:	<p>March 20, 2014: The Austin City Council passed Resolution No. 20140320-051 “to develop an implementation plan and funding strategies for a sobriety center.” This action established the Sobriety Center Planning Committee.</p> <p>June 11, 2015: The Sobriety Center Planning Committee presented its report, “Sobriety Center Implementation Report, April 27, 2015” to the City Council. After receiving the report, the City Council passed Resolution No. 20150611-010, “creating an Austin-Travis County Intergovernmental Working Group (IWG) to make recommendations regarding a location, governance structure and funding plan for a sobriety center.”</p> <p>October 8, 2016: The IWG recommended that the sobriety center be located in the soon to be vacant Travis County Medical Examiner Building located at 1213 Sabine Street. Staff recommended the use of a local government corporation (LGC) for the governance and operation of the sobriety center. After hearing the recommendations of the IWG, the City Council passed Resolution No. 20150618-084 and directed the City Manager to “negotiate an interlocal agreement with Travis County for the creation of a sobriety center that incorporates the terms recommended by the Austin-Travis County Intergovernmental Working Group.”</p>				
For More Information:	Assistant City Manager Rey Arellano (512) 974-2222				
Council Committee, Boards and Commission Action:					
MBE / WBE:					
Related Items:					

## Additional Backup Information

As described in Prior Council Action and per Council Resolution No. 20150618-084, the attached interlocal agreement (ILA) is presented for Council consideration. The ILA will establish the process for creating the Local Government Corporation (LGC) that will operate the Sobriety Center to be located at 1213 Sabine Street, Austin TX 78701 (currently used by the Travis County Medical Examiner); establishes the responsibilities of the City of Austin and Travis County; and establishes the cost model for the Sobriety Center.

The proposed ILA would take effect upon execution by both parties and last through September 30, 2017 with a 1-year extension. It states that both parties would agree to work together to create a certificate of formation and by-laws to create the LGC and appoint residents to file an application for the incorporation of the LGC.

### **Composition of the LGC Board of Directors**

The City and County would agree to appoint the Board for the proposed LGC that would be comprised of nine members, four appointed by City of Austin, four appointed by Travis County, and one appointed jointly. The board members should have expertise in the following areas: legal, medical, behavioural health, public health, chemical dependency and addiction, philanthropy and fundraising, and business and tax expertise. In addition, the board would also have five ex-officio members: the City Manager, the County Judge, the Austin Chief of Police, the ATCEMS Department Director and the City's Health and Human Services Department Director, or their respective designees.

### **County Responsibilities**

Travis County will make available the Medical Examiner's Building to be used as the location for the sobriety center including parking for sobriety center staff in adjacent parking lots. Additionally, the County will maintain and repair the building as such need arises. In consideration for these activities, the County will receive an in-kind credit of 10% of the appraised value of the building in calculating the cost allocation. The County agrees to take responsibility for the building's initial renovation and retrofit, estimated to be \$887,500.

### **City Responsibilities**

City agrees to make to the LGC an annual payment of \$1,664,500 to cover LGC annual operating costs not covered by other sources of revenue including personnel salaries, benefits, necessary training and licensures; custodial, security, grounds keeping, utility, and garbage pickup services. City also agrees to pay for initial Furniture, Fixtures, and Equipment (FF&E) and IT services and security.

### **Cost Model**

For the first two years of service, the City has agreed to pay the LGC \$905,100 for the partial nine months of FY2017 and \$1,664,500 for the entire FY2018. Over a ten-year period, the cost allocation results in 78% (City) /22% (County) allocations.

### **Next Steps**

Jun 2016:	Austin City Council and Travis County Commissioners Court consider ILA
Aug 2016:	Formation of the LGC including appointment of Board members
Sep – Dec 2016:	Recruitment for the Executive Director
Jun 2017:	1213 Sabine Street building ready for renovation
Summer 2017:	Sobriety Center opens for operations