

City Council Special Called Meeting Transcript – 10/04/2017

Title: ATXN 24/7 Recording

Channel: 6 - ATXN

Recorded On: 10/4/2017 6:00:00 AM

Original Air Date: 10/4/2017

Transcript Generated by SnapStream

=====

[9:09:42 AM]

>> Tovo: Good morning. We don't yet have a quorum but we're going to get started. We're in the boards and commission room and it's 9:10. Mr. Gorps -- Guernsey, do you want to let us now the plans. >> We've got a couple presentations to go through. John fregonese is back. Laurali is here and consulting and we're going to go through various topics. We'll start with the envision tomorrow and follow up to some of the discussion that we had last time that John fregonese was here about the housing numbers and talk a little about the density bonus program. And then we have a presentation on administration and procedures. And so -- >> Tovo: Mr. Guernsey, the outline on the message board was process and procedures, the envision tomorrow and then the density bonus. >> We can take them in that order. >> Tovo: As long as we have time to hit all of them. That was my assumption how the day would unfold. Councilmembers, do you have an interest in adjusting beyond that? One concern I would have is process -- the administrative process and procedures was scheduled back for June and we tabled it and then we -- so I want to be sure we have a chance to -- mayor, we were just talking about the order of the day. I think the staff are going to start with the presentation from Mr. Fregonese and then move into the density bonus and then move into the process and administration, and I was suggesting that since the order on the message board was different, we might stick to that order also since we've delayed the process in administration

[9:11:42 AM]

from the June meeting. But I think it's the will of the group and now we have a group so we can either talk about it or just get started. I would just ask if we could at least -- if we're going to go with the order the staff proposed, we could at least make sure we hit process and administration at least. There are some very significant process -- proposed process changes that we've yet to discuss as a group. >> I think it's 11. >> Tovo: Apparently it's 11. >> Mayor Adler: Let's keep track of the clock. >> Tovo: Can we sketch out a time for that? >> If we're talking two hours, we're talking roughly 40 minutes of -- two

hours we're talking about 40 minutes a section. Is that right? >> Tovo: About that, yeah. >> Mayor Adler: Let's see if we can hold to that. Go ahead. >> What would you like to start then? Do you want to take what I suggested? >> Mayor Adler: I'm fine with the order you suggested unless people want to be different. >> John fregonese, lauraly. Eric is also here on the density bonus and housing programs. >> Thank you. >> Mayor Adler: Welcome back home. >> Thank you very much. It's great to be here. I think last we left we had a number of questions that were asked and we put

[9:13:44 AM]

together kind of a housing report card. We're calling it, I think you have a copy of some basic information, a one sheet that we produced. I'll go through a little bit of review, but not much about prior information and then Erika is going to discuss the density bonus program and lauralie the results of her program. We look forward to your questions as always. We are, again, reviewing capacity of the zoning code. We've gone through and done the -- as we mentioned last time, the buildable lands inventory which was basically vacant land plus our estimate of redevelopment, areas that were feasible for redevelopment. And again, this is a capacity. And then we basically on each parcel put the zoning, the new zoning from the second draft and then calculated what would be the feasible development on that. Given the zoning and other characteristics of development in Austin. We have had a lot of feedback. I have to say I've never had a jurisdiction with more excel nerds and people that reveled in the details of it and we have dozens if not hundreds of people that are looking at that and giving us feedback. We went through and adjusted some of the modeling on the individual units and resulted in a decrease of about 5,000 units. And I think our next step is to really look at that buildable lands map in detail for a number of reasons and that may result in some adjustments, but I think there will be no big changes from here on out. We went through a number of things to do that. I wanted to mention, though, that this is a capacity

[9:15:45 AM]

analysis based on public policy. We did some feasibility on redevelopment just to kind of get the low-hanging fruit out of the land we are using assessor's data base but we did inflate it in 2014 to bring it closer to market. At any rate, as we mentioned before, this is a capacity estimate which is less speculative than a forecast. In a forecast you are estimating things like migration rates and the state of the economy. In this case we're not doing that. We're just saying what could be built. So capacity, as we mentioned before, is the size of the glass. The forecast is what would be in it. So all the data today including the density bonuses, the capacity is what's possible. And it's basically the signal you are sending out there in terms of what's possible. The forecast is the uptake and that would be a separate

process. Capacity is easier and a bit more predictable to have. One of the things when you look at this is to understand that about -- in our modeling about 88% of Austin is pretty stable. There is not a lot of development there. There's not vacant land. It's about a third of that land is constrained. It can't be built on. It's a park or a watershed or a stream area. So quite a bit of Austin is kind of fixed. About 10% of the city limits are vacant and they are in the buildable land pools. About 1.3% are feasible for redevelopment according to our model. That 1.3% is primarily higher density projects and there's about 10,000 dwelling units, almost all of them apartments in that area. And we're getting about 155,000 units including the -- in that area about 60,000 new units.

[9:17:46 AM]

So there's some redevelopment of apartments that our model shows is feasible. Yes. >> Alter: On that point when you talk about the apartments being redevelopable and you are counting them, are you counting the marginal additional units? >> Yes. >> Alter: So we might get a whole bunch of new units as well as the marginal -- >> We're saying that in the areas that we have shown as feasible for redevelopment there exists 10,000 existing units. And in those areas when all of those areas redevelop, we get about 65, 66 thousand net new units. >> Alter: Above the 10,000. >> Above the 10,000. That's the reason we calculated because we want to give you net increase rather than gross increase in units. >> Alter: Those are marked on the map in this orangish color? >> Mayor Adler: Go ahead and answer this question. Then I would recommend we let him go through the presentation because I think that's the only way we're going to make the time and then we know how much time we have for questions in each section. Go ahead. >> They are not marked on the map with the orangish color. I have part of the presentation later that talks about how we're going to try to dig in and find out where those are, take a good look and see if there is anything that could be done to -- if these are feasible for attention. >> Alter: Thank you. >> Mayor Adler: Take us through the presentation. >> So again the current code has a capacity about 82,000 housing units. Code north Texas draft 1 with a 133,000. Draft 2, 154,745 but let's round it up 155. One of the things we tried to do is give you a perspective where is the housing capacity. I know we've done it by districts, but it's really important if you represent that district, but we looked

[9:19:48 AM]

at other indicators, other ways of looking at it. So the last time we showed you this heat map that showed where the housing would go, and one of the comparisons we found really useful is to use this study, which is the opportunity areas. These are -- this ranks all of Austin in areas that have access to good jobs, good education, good amenities, and you get a rank from very low to very high. And then the intersection of the housing density there is to see where is the housing going relative to existing

opportunity. And you can see within the housing report card it gives the results of a couple of those. In the first instance the current code -- you can see by the pie chart there's about the same proportion. There's a slightly higher proportion of housing in the high opportunity areas, but a much higher number in the higher opportunities area. So 73,000 units versus 39,000. And that increase comes primarily from increases in areas that are very high or high opportunity areas. You'll notice it goes from 14,000, for example, in very high opportunity to 27,000. So there's a substantial improvement in terms of opportunity for housing and these parts of Austin that are there, but it's not overdone, it's about 50/50. Then we look at the market rate estimate of the less than 100% mfi which is basically market affordable. These are mostly apartments. I'll talk about that later. You can see under the current code there's very few, 4600, and under the new code 53,000. Again with a significant proportion in areas of high opportunity. We looked at the urban core,

[9:21:48 AM]

and since I put this map up, I realize if you talk to five people in Austin there's five definitions of the urban core. But we use this one with defined by Rhoades and we'll be glad to do other core areas as well. You can see the proportions increase a little bit. The numbers increase quite substantially. Under the codenext you are getting 95,000 units outside the urban core of which 20,000 are in the more affordable and more economical range. Inside the urban core 70,000 units which 33,000 or so are in the affordable range. So there's the distinction there. The big reasons why this change happened is, first of all, there's more units that could be built economically. We're not guaranteeing they will be. This is not under a housing program, but these are basically given the cost of construction, the average return, the rents that people would have to charge, there's quite a bit more units, as you can see at at the 80% and 100%. There's more unit capacity in the codenext, but the current code is giving you almost all of your product at 100 to 120% of mfi and higher. Codenext does have the potential for these more affordable units. The reason is basically building types. Mixed use block form development and the mid-rise category. Row house and townhouse. And housing in multi-unit developments, so the four four-plex, six-plex, eight-plex kind of product.

[9:23:49 AM]

There's more missing middle. This is kind of replacing what used to be either apartments or single-family homes. This is a variety of housing types that I'm sure has been explained many times. Under the current code only 7% of the total is quite restrictive, codenext 21% is the missing middle and from about 100% mfi up including there's more housing opportunity in these areas. Not super expensive like the apartments or inexpensive, but something for the middle income groups to find housing opportunities

and a choice of housing. When it comes to the affordable housing bonus program, this will be explained more thoroughly, but basically the current code has about an uptake expected about 1450 units. Lauralie's analysis, echo's analysis of the codenext has a potential capacity of 5,000 bonus housing units and I'm sure there will be quite a bit of discussion about that. One thing we want to emphasize is the blueprint, the strategic housing blueprint is a series of programs. The zoning capacity makes it easier to achieve the blueprint goals. It opens the door, but we want to emphasize that those programs have to be implemented to deliver the units. But these things are kind of working hand in hand. The blueprint opens the door, provides a variety of housing types, get the costs more economical so if you are doing subsidized you have to spend less to get more. But those programs have to be done to get that. So we are looking at the issue of redeveloping affordable apartments. We have professor Mueller's work that looked at where the concentrations of existing market affordable apartments are, and we're looking within that at our

[9:25:50 AM]

redevelopment analysis to -- which lights up which parcels are there and then looking at specific properties. We're going to try to look at all those 10,000 units between now over the next couple weeks and see if there is something we can do to identify the ones that could be preserved. In this case the mf-2 and rm2a is about the same entitlement so we did a small sample. We didn't see entitlement encouraging it. We know that there's a difference between 7500 and 10,000 so I expect there's at least 2500 we can come up with some policy for, but we'll let you know the results of that analysis. And also we want to really take a look especially field check the 2500 acres of redevelopment and we'll be doing that in detail over the next couple of weeks. Making sure that we're refining that ever further. So now I'm going to hand it over to Erika and she will go through -- start the bonus program presentation. >> And mayor and council, this is kind of going into the second presentation. They very much work together. If you wanted to hear both of them in a row and then ask questions that might be relevant to both, we could do that, but then you might need to double up your time for that piece. You can still utilize a third, third and third or two-thirds and a third. So it's entirely up to you. >> Mayor Adler: Why don't you keep going. >> Okay. >> Okay. Erika leak, city of Austin neighborhood housing department. So I am going to do a very quick review of basically the differences between the city's existing density bonus programs and the proposed density bonus programming codenext. So as a way to start, I think we should start by thinking about the various people in our community. And when we think about the strategic housing blueprint, the idea there is really

[9:27:51 AM]

thinking about what we can do as a community to ensure that there is housing for people at all income levels. So when you think about it that way, then you have to think about what tools can be used to serve people at different incomes. And this is an image from the blueprint that basically talks about key strategies at different income levels. So at the very lowest income levels, we basically need to use federal funding and local funding to -- to subsidize those units because the rents need to be so low that it really does usually require some sort of subsidy. As you move into higher incomes, then there is either less subsidy required or in some case you can actually leverage private investments through something like a depends time sensitivity bonus program to help provide those units at kind of a moderate income. And then usually the market does pretty well providing higher income units, as John mentioned. So just a quick review of the city's existing density bonus programs in both the existing and proposed the idea is the same, that a developer provides some sort of community benefit in exchange for increased entitlements. The thing that we have happening right now, however, is that we have ten different programs and each of the programs has different community benefits, different requirements, different additional gives and gets and so it makes it very complicated for the community. And here's just a very partial list of some of those programs. And this is a spread sheet that we have available online that shows the broader range and I don't intend for people to be able to read it. It's just a visual to say this is how many different

[9:29:53 AM]

density bonus programs we have and it makes it really hard for everyone, for the community to be able to understand the programs, for developers to be able to use the programs, for staff to be able to administer the programs. So definitely -- definitely an area for improvement. In terms of the proposed citywide affordable housing program it works the same way in terms of getting community benefits in exchange for additional entitlements, but there is consistency in that we propose that there would be one citywide mfi level that the density bonus program would serve, potentially 60% mfi for rental, 80% for ownership. And then there is also the potential for off-site units in nearby developments and potentially with approval the payment of a fee in lieu. But importantly there is also the option for commercial developers to pay a fee in lieu for affordable housing. So I sort of touched on some of these available to both residential and commercial developments in some codenext Zones and I'll get into that in a moment. The proposed program is also available in more locations, and it consolidates at least some of the city's density bonus programs into one tool and could eventually consolidate more. And importantly the bonus are calibrated to those different Zones. And so that's what echo northwest has been working on is looking at all the best he knows zero and figure the best levers to pull in those Zones to make

[9:31:55 AM]

density bonus work. So to be super clear so that no one is surprised, right now it is proposed that the existing vertical mixed use and smart housing incentives are incorporated into the citywide affordable bonus program that I just described. There are also existing programs that are brought into the new code but they are actually still different from the citywide affordable housing program and that's the downtown density bonus and neighborhood overlay. Then there are existing programs that are not being pulled in because of capacity but they could be, but basically it would require more staff time, potentially nor consultant time to be able to do that because they are all very specifically calibrated for different areas. And so those are transoriented developments, north gateway and south central waterfront. In terms of areas this map shows the locations of the current density bonus programs which cover approximately 6200 acres. And this map shows the additional areas where the citywide program would be in place and then that is broken down into locations where there would be a height bonus, a unit bonus, and a bulk bonus. And then the total net area for the bonus areas would be in the range of 23,000 acres. So it obviously covers a much broader area than -- than our existing programs. A couple of other improvements from both the existing land development code and draft 1 is requiring having design standards, making sure that there's access to amenities

[9:33:59 AM]

and that there's an incentive for multiple bedroom units and that's definitely something that we have heard about and I think we can continue to explore. Right now there's already a potential incentive in there, but if that's an area of interest, I think it's something that we could discuss further. In terms of thinking about what mfi the density bonus serves, if you look at the area that's highlighted in the red box, that's basically looking at the number of market rate units that would be required to basically cross subsidize the affordable units. So if we're looking at the 60% mfi, the dark Orange bar is the number of units in a highrise building that would be required -- excuse me -- to subsidize units. So six units in a highrise, four units in a podium construction, which is a little bit cheaper to build which is why it's fewer units. If you go down to 30% of the median attack -- family income it requires more market units to basically cross subsidize an affordable unit. If we look at what mfi level the density bonus can serve, you can say we want to serve 30% mfi. It just means have you to basically allow for a greater number of market rate units to be able to subsidize that lower rent. And that's certainly a policy decision. >> Pool: Mayor, I'm sorry, but I don't understand that chart well enough. Can you explain what the four and three and six and four are? >> Yes. Okay. So the four and the three, those relate to 80% mfi.

[9:36:01 AM]

Basically you would have to build -- good point. I. >> I made the slide. So what this is showing is the number of market rate units that you would need to have in order to cross subsidize to support one affordable unit, one income restricted unit. >> Pool: And that's base on a low fee in lieu payment? >> That's assuming they are not taking a fee in lieu. So looking at how many of them they would be able to build. >> Because Erika was talking about fee in lieu. >> So fee in lieu is a separate conversation and we can certainly come back to that. Fee in lieu is allowed, but for the sake of trying to understand the impact of the program on unit production we wanted to look what it would take to build them this the building. >> Pool: Will you dig into fee in lieu soon in this presentation? >> We have actually have not yet done the fee in lieu calibration and we have a policy discussion around fee in lieu that we're excited to have with you today. >> Pool: I'm so glad you are excited. [Laughter] I do have some questions specifically about fee in lieu so I'll look forward to the presentation and see if it answers my questions. >> Yes. >> And to be clear, the recommendation as it stands right now, on site is the preferred location for the units. Fee in lieu would be an exception. It would require additional approval. So it is not the preferred -- it's not the preferred mechanism but it is potentially an option and that's a good discussion to have. So this image just shows the different codenext Zones, and it's hard to see -- actually you can't see it at all on here. Hopefully it printed on the

[9:38:01 AM]

page. It shows which Zones allow which type of bonus. So if you'll think back to the maps in some locations additional height is a bonus. In some places additional units is a bonus, in some places additional bulk. So the three blocks at the bottom those show in which Zones which different type of bonus applies. And so -- so if you sort of look at this in combination with the maps, it can give you a sense of in what types of places there would be additional height for for a density bonus and in which places it might just be additional units in the same size building. And we can certainly talk about that more. And then we have gotten feedback regarding the question of should there be a bonus option in more of the Zones. And I think that's a great item for consideration and discussion. And then finally, just getting into its relationship to the blueprint, again we want to make it really clear that density bonuses are one part of the blueprint stack, and as John mentioned it will take a whole variety of tools and additional funding to be able to reach the goals set forth in the blueprint. And density bonuses are an important part, especially in Texas where we're limited in our other tools, but it is only one of the tools that we would be using to try to meet those goals. >> Okay, so, hello counselors, my name is lauralie Johnson and I'm a partner at echo northwest. I haven't had a chance to speak to you yet so thank you for letting me be here. We have been working to

[9:40:02 AM]

calibrate the affordable housing bonus program, and today what I want to talk with you about is a little bit more context on the 5,000 number that John shared earlier in the presentation, which is the number of income restricted units that draft 2 adds the capacity for. And also the geographic distribution of those. I do want to emphasize that we are also doing a capacity analysis. We are not forecasting the number of units, income restricted units that will be built, but instead are looking at this new zoning code draft 2 where and how much capacity does it add with the provisions associated with the bonus program. Also want to emphasize that we are really -- we really are focused on just the zoning code piece of it. A developer has to have many stars aligned before a development can actually occur. They have to control land that they were able to acquire at a reasonable price, they have to have access to capital, a feasible development. The piece of it that we are talking about today is the public policy, the zoning code and the affordable bonus program and how that interacts with all the other components of the development feasibility equation. So I'm going to return to the -- the report that John referenced which is this one and talk about where those income restricted units lie geographically relative to the areas of opportunity outlined previously. The map you see up on the screen shows in red the areas that have [inaudible] High quality environmental, mobility opportunities, the kind of things we hope are distributed to all people who live in Austin but are

[9:42:02 AM]

current not. On that map each of the blue triangles are affordable or subsidized units that currently exist today according to data used for this particular study. And what very quickly becomes very painfully obvious is most of the existing affordable units and subsidized units are located in areas that have either very low or low access to opportunity. Zoning code is not a powerful enough tool to fully reverse the patterns of gentrification and displacement, but we want to make sure we are paying attention to where the capacity is added and try to make sure that it's distributed as equitably as possible across the city. So I'm going to talk about where these income restrict units lie relative to this map. Your existing bonus programs which you heard Erika talk about a minute ago, there's about 5,000 acres of property that are in those bonus programs. And you can see that they are largely in areas -- there are very few of those acres inside of areas that have very high or high access to opportunity. We have added a lot of acreage so we're all the way up to 25,000, five-fold increase in the total amount of acreage that has a bonus program in it and much more even distribution across the map in terms of how those are related to opportunity areas. Another crack at it is looking at the number of units, not just the acreage but the actual number of units. If you think back to those blue dots on that previous map, just one percent of those units are in areas that have very high access to opportunity. Your existing bonus programs improve that distribution and get you up to about 1200 units, according to the data base from nhcd. Then when you look at the 5,000 units that the draft 2 codenext adds the capacity for, you see a much more even distribution across access to opportunity.

[9:44:04 AM]

And then one final cut of this is just thinking about the concentration. If you think back to where those blue triangles were on that map, they were concentrated in relatively few serious tracts. We wanted to understand whether we were dispersing them more broadly and turns out these 5,000 units, 54% are located in areas with no existing subsidized units. I want to reemphasize that a density bonus program no matter how perfectly calibrated, no matter what city you are in, it's never going to be the silver bullet that solves for affordable housing problem. That's why you have a strategic blueprint that outlines the other tools. There are a number of tools not available in the Texas context, but there are a lot of others that are and the blueprint provides a really good framework for thinking how those tools can interact with each other and include a bonus program that makes sure you are including the entire spectrum of affordable housing and housing needs in the community. We didn't want to just stop there. We wanted to take a look at how some of those other tools that are available in Austin could be layered together to help to improve affordability, provide more units or deeper affordability. We did a thought exercise using a hypothetical 50,000 square foot lot with a 40,000 multi-family square foot building. We put it at the high end of the Austin market. If you look at the number of units that would be allowed through the base zoning, it's about 75 units. The bonus would give you an additional 17 for a total of 92. So we're going to look at what the various programs do. So first of all starting with the bonus program, just accessing the bonus program in this particular scenario a developer would be able to provide about four units

[9:46:05 AM]

that were affordable at 60% of median family income and that's how the program is currently calibrated at 60% for rental. If you were to add in a tif subsidy or a land -- or any other capital contribution that brought down the total project costs for the developer by 10%, you would be able to get up to 12 units that were available at 60% of median family income. If there were a tax abatement you could get up to 18 units at 60% of median family income which means the bonus units available through your -- you are actually providing more affordable units than were available through the bonus. Another alley active to provide -- alternative -- this thought exercise we wanted to bring forward just to help to show how a bonus program could interact with some of the other tools proposed through the blueprint and that are already available. It really does give you an opportunity to have a foot in the door where -- with a door to have that conversation where and how affordable units could be provided that might be at a deeper level of affordability or providing more units. We're not done with the affordable housing bonus program and looking forward to your feedback to make sure draft 3 better reflects your priorities. A couple of things we know we are already looking at, so we're looking at the possibility to add bonuses in a larger number of Zones. So looking at low intensity Zones or smaller building types. We are also looking for opportunities to improve the effectiveness and yield of the program. Including potentially

changes to the map to where different Zones that have bonuses in them are mapped and thinking about the ways that the public benefit requirements are calibrated so that 60% of mfi should it be deeper, higher, happy to

[9:48:07 AM]

have your feedback on that. Last but not least to counselor pool's question, we are going through the process of evaluateing fee in lieu. And as Erika said, the goal has been to calibrate that so that providing units in the building is a preferable out come to paying the fee in lieu. So we'll be looking through that -- working through that process going forward but happy to have your feedback. I think that's the end. I don't have another slide so must be the end of the presentation. Thank you. >> Mayor Adler: Questions? Help me understand -- I'm looking at page 19. I want to see if I'm reading this correctly. The new version of the code, the second version gives us about ten-fold increase in the units at less than 100 mfi than the current code does? Am I reading that correctly? >> Yes. >> Mayor Adler: And -- and a ten-fold increase in the area of highest opportunity. >> That's correct. >> Mayor Adler: Okay. >> So again, this is assuming that everyone is just going to be happy with a 12% return and we realize especially initially a builder might actually go in and be able to achieve more rent. But relative to everything else built between the current code and the new code, this is a more economical style of unit that can be built for 12% return at 100% mfi rent for a family of four. >> Mayor Adler: Thank you. Questions? Ms. Kitchen. >> Kitchen: Thank you very much. Maybe you can just unpack that for us a little bit.

[9:50:08 AM]

So the assumption is the 12% return, please explain that. >> It's a 12% internal rate of return that the investor would hold it 12 years and achieve a 12% return on investment after that 10-year hold. So it's a common way -- and there's other things we could do, return a cash. But basically we find out what's the minimum return you would get to do a project in Austin and 12% is there. >> Kitchen: Okay. >> A developer obviously if they can make more they will. Under situations where the market is really hot, you know, rents are rising, may do that. What we're trying to provide though is an equal footing that relative to the current code you have more economical units. The market will stabilize and rents will stabilize as more units come in of this type. Secondly, if you are working with a developer that wants to build more affordable units, you don't have so far to go with your subsidy. Typically they are motivated by more than just profit. >> Kitchen: That helps me understand that the assumptions obviously have to be based on some level of rate of return for the developer. >> That's correct. >> Kitchen: That's what they do, they have a rate of return and so it sounds like you are setting the 12% based on the, marginal - and what appears to be -- >> This is what they need to make a business goal. >> Kitchen: That's right.

So -- okay. That's helpful to understand. Let's see. I have other questions but I'll let others go first. I had another question related to that but I just lost it. >> Mayor Adler: Mr. Casar. >> Casar: There is so much here that I just want to put sort of scribble down my top

[9:52:09 AM]

three good pieces of feedback, top three, I wouldn't call it bad, but maybe bad, just to solicit some conversation. First, on the good is, one, I think that this is extremely useful for us to have report cards like these because for -- part of the reason we're rewriting the land development code is so we can talk about citywide impacts and for folks in our community who may not be as familiar with what a particular zoning category means now and what it would mean under a change but could -- do care about and understand how much housing we're producing in certain parts of town that may be accessible to them or their children so this is really helpful and the more of this that we can do as we proceed in this process I think the more transparent our process will be for everyday folks. So thank you for doing that. My number 2 good goes to part of what the mayor was talking about, I think it's very powerful to be able to see on a report card like this and in your presentation that we can make things better. I'm not sure whether we have made things good enough with this opportunity yet, but that we can make things better. I think it really stands out to me that currently under existing housing capacity for 100% mfi in opportunity areas we only have about 1700 -- capacity for 1700 more 100% mfi units in high or very high areas. 1700 in a city approaching a million people is clearly insufficient and it's really powerful to see us increasing that number significantly. >> Mayor Adler: 1700 -- >> Casar: In high or very high opportunity areas. Our current housing capacity for 100% mfi units according

[9:54:10 AM]

to this is 1700 or 1800 actually -- 1790, about 1800, we'll round it up ten. And to see that increasing significantly is powerful. It still doesn't address some of those lower income levels, but as Mr. Fregonese mentioned, if we can provide 100% mfi units in high opportunity areas, we have less distance to go to buy down with subsidies to make those available to other folks. I think that's a really -- seeing the missing middle capacity go up five or six times, seeing the density bonus affordability is really important. Not because this is the end, but because it shows that there are things that we can change that are within our control in a world that's much bigger than us that can make things better and sets us on a path to say how much better are we able to make this? >> What page are you on. >> Casar: The first page. >> Mayor Adler: That was the question. >> Kitchen: Which two numbers? >> Casar: So 1,070 plus 720 is 1790. >> Kitchen: I got you. >> Casar: Of our existing capacity in our current land development code for 100% mfi units in high and very high opportunity areas. I think seeing we can change that or

have the potential to change it is powerful. Then the third thing that I think is really good is the last two pages. Talking about the first page the whole time, the last couple of pages where we start signaling some of the new tools we can put in place to create affordable housing because 5,000 units with a density bonus program is far from enough, but seeing that we are considering in this process implementing affordable housing abatements and tifs for affordable house I think is really important and promising. Those are my three pieces of feedback around really good stuff I think from today. My three concerns, number 1

[9:56:11 AM]

is -- has nothing to do with you all, just continues to be startling how skewed the market is towards the highest ends stuff, and some of that is under our control and a lot of it is not, but seeing your slide show and how much is skewed at 120% of mfi no matter what we do is always disheartening, but we can't just leave it unsaid all the time. Number 2, though, is that Mr. Fregonese you mentioned that we had not overdone the amount of housing in high and very high opportunity and I think it's significantly under done. Right now we under codenext draft 2 still have the majority of our housing capacity going to low and very low opportunity areas. So more than 50% is going to low and very low, according to this report card. I understand that almost half is between very high, high and moderate, but low and very low is not the other half of the pie. Low and very low is -- is -- if we are going to be trying to best plan our urban housing capacity, planning the majority of it for places that are low and very low seems not like the best idea to me. >> Can you point to the numbers? >> Casar: If you go to the housing capacity and opportunity areas and you go across -- we currently -- we currently have this problem, but under codenext draft 2 doesn't seem like we're fixing it. 73,530 of the units will be going to very high, high and moderate, which would mean that the majority of the 154,000 housing capacity is in low and very low opportunity areas because of the remaining two categories. >> Kitchen: Okay. >> Casar: The only other categories is very and low low. >> Kitchen: It's almost 50

[9:58:15 AM]

slash 50. >> Casar: We could even put it at half if you want, but I think half of our housing capacity that we've designated -- that academic research has designated as low or lower than low, to me would fail a fair housing analysis. >> Kitchen: I just want to be clear on the numbers so we don't confuse people. That's all. >> Casar: So I would say the slight majority would probably be accurate -- according to this report card, the slight majority of our units or at least half of our housing capacity under codenext draft 2 is low or very low. >> Kitchen: Very different from the current land development code. >> Casar: This does not shift the percentage -- it does shift the numbers and create a higher number in higher

opportunity areas. I think percentagewise there's something important -- >> Kitchen: There is a slide that significantly shifts the percentage. I'm sorry, I'm not trying to argue with you. I don't want us to say things that aren't entirely -- I'm not saying you are trying to do that, I just want us to be clear for the public, there's a slide in here that shows -- it's a bar chart that shows that shift. So -- and I'm not arguing that it's enough. I'm just -- >> Pool: Slide 23? >> Casar: Especially around our density bonus programs there's a significant improvement in the density bonus units going into high and very high percentage. >> Kitchen: I see what you are saying. >> Casar: In the affordable housing density bonus areas there's a significant shift towards the high opportunity areas. But on the -- just overall housing capacity there is not such a significant percentage shift. And I think that that's -- you know, that's -- should be contextualized, environmental sensitive areas, topography areas, there's a variety of issues. >> And flooding. >> Casar: Yes.

[10:00:17 AM]

So there's a variety of issues associated with that, but I do think that given that -- that the equity, gentrification and other issues we've addressed I'm just raising personally as a concern, knowing that we're going to have a very thorough debate around these issues. I just do think that state -- saying that we don't overdo the amount of equity here, I just disagree with because I do think that we should have, just for my own we can work around other issues to get to the place where the majority of the housing Christmas targeted not too low or very low opportunity areas, that's all. I do appreciate you asking for the specific numbers and asking me to not -- indicating we shouldn't over state things and I will continue to do my best to stick to that in what is a complicated debate, so I appreciate that. >> So we're looking at 39-2-30, which is approximately the same percentage as the 73-530 as the 154-645. >> That's right. For me, it is the goal for the majority of the housing Christmas to not be direct the to the two lowest categories. And then, finally, my third, not bad but piece of feedback is that I know there were several mentions and I think it is a good thing for us to look at having eye fordable housing, requirements and bonuses in more midding missing middle housing types. We have council resolutions directing that that work be done, specifically so that, you know, moderate income folks have an opportunity to live in an income restricted unit on their own property, if we develop

[10:02:17 AM]

missing middle housing and as some of our work has kited, we want to provide some of that income restricted housing in neighborhoods where there is currently very, very laylock says to it. So there are standing council resolutions and votes directing you to do that work so that's why you're getting the feedback. Thank you. >> Council member alter and council member pool. >> Thank you. This is a 0 lot to

be a 0 southern and I may choose to give you comments afterwards who do we direct those to if we want -- okay, great. So, on page 25, I think this is where we have a diagram of the different types of housing. I notice that ads are not listed here under the missing middle or in T diagram, so can you help me understand how you're thinking about ads in this mix and how they fit into the numbers? >> We haven't made -- we've looked at making a forecast or capacity for ads. The capacity for ads is large because it potentially could be in a lot of different places. Most cities seem to do between 2% and 5% of their units through ads so the actual up take is quite a bit less than capacity. And it appears in the market that a house with an Adu is the same price as the house that's the same total square foot and. The market treat it is as a0 mennity to the house rather than a source of income. So, this is just a diagram that we got and we could put ads in there, I think ads would add about 5%, from 2 to 5% of the total housing mix. I think if it is in the 800

[10:04:17 AM]

square foot range it is in the 100% mfi category. >> So the housing capacity analysis disease not include ads. >> That's right. >> So there's additional -- so I sense that there is some agreement, remind council we want to encourage ads and figure that out. >> We will do that 0. We have the back ground, to get this -- >> I just want to be -- I'm just trying to. >> It would be a 2% to 50% 5% increase and I think in the more a0 fordable range of units. We wouldn't be age to locate it so it is going to be a little bit everywhere. We will do that on the next iteration. >> An additional? >> Three to 3,000. Right now 280 unit as year, something like that, in the last year, and Portland, my town, did 601 one year, that was really an outlier, but if you look at something in that range, you will have a few hundred. >> And then we would be able to calibrate certain things in order to be age to get more adus as we've been talking about. So your assumption is based on what is in the current code. >> It is based on the new code, but the experience of our cities is that the ads are quite a bit less in capacity, so you have a lot of potential but not everybody, by a long shot, taking advantage of it. >> Good morning, council member. >> I just want to building on something John was saying, in the numbers we're presenting today, it is capacity. One of the things to note is I think we talked last time, the

[10:06:17 AM]

capacity doesn't include rs and R r2. Often cases the choice of building a single family house or. >> Or a duplex is a decision on the property owner. That would be slightly misleading. As John was mentioning, you get 2% of actual construction of ads which is getting into a forecast. To combine ads with the capacity analysis we're talking about now would be to take numbers from two categories. Adding it and working with capacity at the same time. I would caution adding ads to this discussion in terms of the

over all miss would, if we want to talk about forecast, that is one thing, booted adding into the capacity would cause problems. You're combining apples and Oranges. >> I was under the impression that ads is one of the mechanisms we thought we would increase so I'm confused by the notion of not counting it. I understand we can't count the full capacity, if every house had an Adu, we wouldn't count that, count 2% to 5%, I get that, but I am trying to understand at what point we're going to have numbers that would allow us to say we have numbers, we're doing this with ads and this is going to allow us to have some estimate of additional capacity or whatever the word is. >> I think we can talk about the anticipated forecasted number of ads you can get. I would try keep that separate in the conversation of capacity. >> In other words, an as 0 risk,

[10:08:18 AM]

it is a separate -- asterisk, it is a separate mechanism. They're making a little forecast for ads because the capacity is very large compared to what the expected up take is. And, I would like to say, we did do r-1 and r-2 and it is vacant, so vacant par parcels out, we did build those out for what the typical use is. >> One of those allows duplexes under certain circumstances so we have not counted that into the capacity because we can't predict if somebody is going to do single family or duplex. >> R-1 assumed it was one units r-2 mixed and we have to see the percentage of the mix. >> I'm going to have to think about this Adu. For me, that is an important way for us to achieve some of that density in the high opportunity areas. For page 30, with the risk of development, is this slide a sample of the places we would have a risk of redevelopment or are those Orange places the main places that you -- >> The Orange places are areas, are census tracks. The big, red, census track has lot of natural area in it. Those census tracks came out of professor Mueller's study that had a large number of affordable units current leech they're highlighted because there is at least 200 units of potential redevelopment in there. It shows the useable land in

[10:10:20 AM]

that census map and we zoomed down, as an example of analysis we will continue to do of look at, find the affordable apartments in there. Look at if the model has indicated their potential for redevelopment, look what the current and future zoning is, see if there is something we can do to try to retain it or if there are other programs to try to retain existing affordable units. >> Does professor Mueller's analysis cover the whole city? >> Yes, it does it covers the whole United States, actually. >> I understood there were only parts of the city. >> It is a whole census in the United States so we Tuesday all over the country. -- -- So we use it all over the country. It is a wonderful piece of work. >> There are some areas around far west, Austin oaks, they're redeveloping, we have evidence of it. I'm not sure if

the census tracts are on there, I'm concerned this is under estimating the amount of redevelopment risk and some of the locations are not accurately -- >> We'll take that. We hear you and we have the same concern and want to spend the next couple of weeks diving into this issue of the 10,000 affordable, you know, apartments, basically, that are shown as at-risk for redevelopment. >> And pane of those are at risk even under the current code. The question is, have we done anything to increase that. >> It is about 7500 under the current code, 10,000 under the news, so there is not. >> Lot of difference. Maybe that will also be -- you know, some cities have trust funds that go and purchase or the housing authority purchases affordable existing units and

[10:12:20 AM]

makes them permanent affordable, because it is a half to a third of the cost to buy an existing affordable than building a new one be, so that's a strategy this mate might help in another venue. Yes, we're concerned about it and we will look into it. >> One last comment, we have the high and we have the low opportunity areas, but those categorizations don't have to stay. We can move things in terms of our variables by investing in mobility, by investing in economic development, by investing in the schools, and so we have other tools that we may actually droll better control better than the market to change certain areas and improve the quality of life for people who are living there. And I just want us not to lose sight, this is one tool in our tool box and we have an opportunity, you know, to lift everyone up that's separate from where you target the new housing but I think we shouldn't lose sight of that reality. >> Thanks. And two points that council member alter made I want to amplify and the last thing she said, absolutely, we need to be looking and not only expanding the number of units in high and moderate parts of town but to next up and rehabilitate and replace and the quality of the apartments and homes in the lower opportunity parts of town so we can improve everything. I think we have to lift all the boats and I think our returns will be greater and the costs lower. There isn't any -- the city needs to look at whether people are living in sub standard apartments and homes and redouble its effort to improve those and have programs to make

[10:14:21 AM]

sure that we capture all that information and really make concrete steps in order to make them better. We have a lot of programs for that. I want to bring that conversation into this conversation, too, so that we recognize the broad array of tools that we have. On the adus, you are saying, Mr. Fregonese, that ads are forecast? 2 to 5%? >> Yes, we've looked at what other cities have done with ads in terms of determining capacity, and the actual up take is a small fraction of capacity because it is a personal decision. >> So why would you say that that's a forecast and it is an asterisk when it seems to me that

the capacity discussion that you have with the draft win and draft two of code next also an estimate and forecast. >> It is an estimate, but it is 100% of capacity. That's everything that you could do. And it is different than adus in that we're saying the 2 to 5% of up take a year would be something quite a bit less than your theoretical capacity. >> Are you saying that because building an Adu is the equivalent of taking out a second mortgage, for example? >> It is the equivalent of -- not everybody is into having an Adu or can afford it or the lot is suitable for it, so there is a lot of personal decisions that go in there. If potentially every house in the city could have an Adu, I don't know how many single family homes you have, but I think it is on the order of 140,000, 150,000. Say, if we found 150,000 houses that 0 could potentially have an Adu, we wouldn't want to say you have a capacity of 150,000 ads we know even if everything worked out at substantially less than that, if you look at the rate of Adu development in terms of the percentage of total unit

[10:16:23 AM]

development for that year, it ranges from two to 5% in most jurisdictions, so that is all I'm saying. >> I just don't see how that is different, though, from assume tag development is going to happen in the parts of town we think it should because the past 30 years have proven that developers will develop wherever they can buy the land cheap and build, if they have a more than 12% return on investment and we have very few, it is just encouragement and trying to craft 0 some incentives to try to attract development in certain parts of the city. It really hasn't been very successful. So I'm having a hard time. And this is more rhetorical than anything else, I suppose. I don't know why you would be so certain about these new, this new capacity in units, but not include the possibility that the auxilliary dwelling units would be part of that, why that would be a footnote or asterisk. We offer that as maybe let's rethink that and because then I call into question how you can be so assured on all these other numbers and that they would, in fact, be built where we would theoretically like them to be built. I had asked and Mr. Fregonese was really helpful in providing us with some data behind the envision tomorrow. I asked, my staff asked him for projected units by council district, and we did get that and thank you for that, and I would like to make this available to the rest of the council. >> You could pause there for a minute. You said you have -- what data did you receive? That was a long, long, long ago question I think I submitted in April so it sounds like you have the answer to it.

[10:18:23 AM]

Can you describe what it was. >> I don't know if it is exactly the same thing, but what I have is from envision tomorrow data, these are projected units by council district. >> Is that available in the q&a where the question was asked? >> So I think this was a conversation that louie is a Louisa in my office

had directly with Mr. Fregonese, but I want everyone to have that information because we did get it. >> We'll post that information. >> It was in the last presentation, units by council district and I think you asked for a cross tab and we produced a cross tab yesterday that we intend to post. >> One of the things I wanted to ask, if you could also include, because in looking at these numbers, you might assume that all the distributes are the same, geographic size, so I think it would be really helpful to include the acreage and our staff is going to help you with that, but when you look at housing capacity and housing capacity on vacant land, in district one it says 75% and then in district nine itself 5%. It -- it says 5%. 106 on vacant land. This is looking at capacity that could be built. There is room for this, in the studies and research you've done and I think it would be helpful to see the variation in each district acreage so we can get more context on where the additional capacity would be. So it is helpful, and I only spent like 24 hours with this, but I do want everybody to have this and maybe she will post it to the message board, to. >> Okay. >> On the graph he can about the capacity verses the forecast, so

[10:20:40 AM]

we're talking the capacity is 154 and the capacity is 145,000? >> That's correct. >> That is 13% difference between the two, so the water should be pretty close to the top of the glass, if we were going to be accurate about this, right? >> Yes. It is just an illustration to show the concept. But yes, you're right. >> So I guess my concern is that if the 235 number is really what we need to just kind of keep the status quo in Austin and not fall even further behind on our housing supply, shouldn't the capacity number be significantly more than 154,000? I mean, I was thinking about it in terms of like, if you're trying to get a proposition to pass and you send out mailers and you need 50% of the vote or whatever, you need a certain number of people to vote, if you need 135,000 votes you would send out a lot more on that 154 those mail 154,000 mailers to get it to pass. >> I don't know if 135 is really the forecast or if that is just the goal. >> It was the goal from the strategic housing. >> So I'm not sure -- I mean, you haven't really done a forecast. >> We're not forecasters, no. We would rely on a demographer to get a forecast. You're right, the places that have regulatory capacity, which is my state of Oregon, the U.K., California, a lot of places that when you pass a plan, you have to show that you have capacity for a forecast. Typically it is a 20-year forecast. You have to show the capacity bees especially for housing.

[10:22:42 AM]

But, we are using the tool here to illustrate the impact of the plan, of the zoning. We don't have a forecast that would work with. We had a goal of 135,000 we were trying to accommodate. I don't think that is a time sensitive goal. It wasn't. Any way, I'm showing capacity and your point is well taken that you should have more capacity than the forecast. >> Okay. And, then, on page 51, where we talked

about the income restricted, the number of income, the number of market rate units you need to have a developer supply of income restricted unit, do those numbers -- are those numbers -- are we assuming a certain economic -- a certain level of economic opportunity there? Let me ask it in a different way. In high economic opportunity area, or in high opportunity areas, does it take more units to produce, where I'm assuming the land is more expensive, the property is more expensive, does it danger more market units -- does it take more market unitems? >> The short answer is yes. There are a higher number of restricted income unit prose deuced, but to do that we had to make assumptions with how many units we would and what the represent levels would be. If it was lower, you would see fewer income-restricted units being produced. So, yes, you are correct about that. >> The \$2,000 a month for a one bedroom unit is pricey.

[10:24:43 AM]

>> It is high, you are correct. >> So it seems the numbers, the probably impracticality, the numbers are higher than this. >> Yeah. >> The four and three and six and four are higher. Number one, if we're looking at high-opportunity areas, and number two, if the assumption that one bedrooms are more than \$2,000 a month. >> Right. I'm glad that you asked this question because these should not be numbers you then multiply across the land to try to come up with some sort of unit production estimate. This is truly meant to illustrate the trade-off issue we have if you are interested in trying to achieve lower affordability, you generally get less total number of units produced and it is not meant to illustrate the way the over all market works in terms of the ratio between the market rate and income restricted units provided. >> It seems like it would be hopeful, I mean, it seems like this slide is going to be used to do just that. So can -- is there a way for us to update, to find out what is the be average end for a one bedroom unit and if we're trying to focus on if we're 0 using the, if we're trying to focus on high opportunity areas to have these numbers as accurate as possible? I'm worried the numbers will be used to get to a certain affordable housing number and they seem really low to. >> He definitely, we can do that. One of the next steps we want to take is to look at what unit production across the whole market might look like if we brought the affordability level down just so that 0 can be part of the over all conversation, so we will need to look at this any way. >> Okay. I guess kind of on that same

[10:26:43 AM]

wave length, on the report card, in the third column, where we're talking where it says 53,000 units, do we know about how many of those units are income restricted or what might be income restricted? Like, how many of those are just market rate, happen to serve a more affordable population. >> These are all market rate. Then some of these through the programs could be market restricted but this is an

estimate of how many you could build with that. >> Thank you. What percentage -- I'm trying to find it, I'm sorry if I missed it somewhere, what's percentage of the total capacity, of the 154 units, are multi family? >> I had that in the last presentation and it hasn't changed. I don't have it right now but I think it is about -- my recollection, it was about 60%. The rest being small and large lot, single family and missing middle. I would have to pull that back up out of the old presentation. >> I'll ask another question and try to do the math in the meantime. Really this is my last question, I think. I've heard concerns about the underlying assumptions that are being used in the models that are ending up in potentially over estimating the supply. How -- and I'm learning about this concept of under build, that our capacity numbers are assuming that we max out, that on a big picture, everybody is getting the -- is building the most units possible, and then on an individual plot, but then on

[10:28:44 AM]

an individual plot, you don't always maximize the number of units that you're zoned for, right? For aesthetic reasons or for, I mean, for a variety of other reasons. So is that something we are taking into account or that we should be taking into account or, you know, what -- how did that ultimately -- >> We have gone through a revision which we, I kind of skipped over in the -- on page, I don't know the number showing. Darn it. One, two, three, four, five. It is this one right here, these two, kind of detail what we've done what we went through, and based on the feedback we adjusted the under build, the home sizes and changed rent or sales price assumption. >> Excuse me, you could tell me which of the documents you're talking about. >> This is in the presentation. >> I think it is page six. >> It is page six. I'm sorry the number didn't show up. So we, actually I have to say we really appreciate the people in the industry giving us this feedback and we've gone through and made modifications. We have a second round, and that generated more discussion, a second round of adjustments, and that gave us the decrease of 5,000 units compared to last time so it made some changes. And we want to deep, you know, this is a model, like the hurricane models, you keep putting in more and more information as you get it and you get more and more accurate so we will continue to do that. >> So do you feel -- are there still adjustments being made that are not reflected in this document? >> Yes.

[10:30:45 AM]

We want to continue to do those adjustments, not only this but the land supply, in reviewing the apartments and redeveloped areas, we want to look at that closely in the redevelopment estimates. There are things that can show up in there. For example, sometimes in a shopping center, the parking lot will be a separate low value parcel, and we have to go through and trap those and kick them out because the parking lot and shopping center won't redevelop on its own so there's little things like that

that he will have with to do and continue to refine this over the next couple of weeks. And, again, we asked to your indulgence but I really appreciate the feedback we're getting and improving this more and more is going to make it a better predictive tool for you. >> Thanks. >> There Flanagan, the mayor pro tem and then we will go to the appeals process issue. >> We have 30 minutes left. I'll be brief and really great comments from the rest of the council. You guys resist S have really checked off most of the questions I already had. The way you're defining the urban core is problematic and we need to take a look at that. I would suggest talking to the council members whose districts go into that. My doesn't. It is far east of Austin than we're comfortable with and the areas closer to 93 are not like the areas closer to mopac so that definitely needs to be reevaluated. I really struggle with some of the difference between the capacity and the forecast, and how we're really accounting for what the market will deliver. We talked about this in the last meeting about drainage rules but there is all these other rules that go into play and I'm not confident we're taking that into account. It would be my preference, to

[10:32:45 AM]

the point, this capacity number significantly higher because we know in reality that there is going to be a perfect gap between capacity and what the market will deliver for a large variety of reasons, some of which we can and some of which we cannot predict. The ads, we can't predict who will build an Adu or not um . You said something about duplexes. >> In an r-2 zone, a duplex is a personal choice rather than an investment choice. >> I think I might be the only council member who doesn't live in a single family home. I live in a duplex myself. I would like to see more of them. Think through what that means. There is opportunity for duplexes when we're not getting duplexes. We will have a longer conversation about parking in a different meeting by knowed noticed the one space per unit. I want to have a longer conversation about that. And can you help me understand, when you listed all the bonuses, one is called the bulk bonus. What is the bulk bonus? >> The floor to area ratio. >> That's what I thought. >> I had to think myself, what is that. [Laughter] >> And, then, I'm concerned about the geographic distribution. I think there is a lot of opportunity my district. It is the high opportunity area as the analysis defines and we have schools and grocery stores and even a train, one part has a train and even uses it. I think there is a lot of opportunity there but we should be careful to say we will change how we measure high and low opportunity. The city has always had an opportunity do more investments in areas of low opportunity and we haven't. I don't know if we're magically going to change the decision either and what we're really talking about is the 10-year forecast. If we wanted to change the

[10:34:47 AM]

metrics would it happen over 10 years. I don't think it is fair to say let's pit all the housing or more housing or 50% of the housing in areas that are low and very low because we will make them not low and very low. I don't think that is reasonable for us to say, it crosses the line of gentrification, and what we would have to do to make it throw not low would cause gentrification issues, which is a whole other issue here, and we have to be careful about where we're putting this housing in. And to see analysis is problematic. To the point it is different in terms of large area. Council member alter and I have huge areas that have federallily protected lands and other directs have, like the north half of the district is completely different from the south half of the district. So the by district analysis is troubling. Seeing it on a map broadly is very useful because it helps us understand how people live their lives, not the artificial political subdivisions we've created. That is enough for me now. >> Mayor pro tem. >> This is a topic we need to spend more time on it. I would like to look at the district numbers but I'm also very interested in the amount of redevelopment being projected for existing areas. Redevelopment verses vacant land. I think those numbers will be really useful because we need a clear picture of where we're getting capacity from redeveloping old areas and where we're getting capacity from developing vacant land. I don't entirely disagree with you because we have areas of town that have environmental issues and others. I mean, I just saw a map that showed where the areas are that are increasing in unit capacity and they're very, very centrally

[10:36:47 AM]

located. Areas like yours where you just said, you want to see die plexes are proposed for duplexes, they are staying at one unit. I think a more comprehensive discussion about that would be useful. I have quite a few questions and I will have to do just a couple of them rapid fire. You talked about with regard to the density bonus, that the preference would be for on site and that exceptions would require approval. In the first draft, and I think I submitted a comment about this, as I recall, it was the exception dob granted administratively, it didn't require council approval. Can you tell me whether that shifted in this? I haven't had the opportunity to review that closely. >> There is a section made up of people who have development experience and can review a pro Forma to see whether there are particular circumstances related to a development that make it unusable to have on-site units and that could be the criteria that somebody could potentially pay a fee in lieu. So it would be a board with specific ebbs perties, which we don't have right -- expertise, which we don't have right now that's the proposal. >> Thank you, I'll take a look at that. Is it specified as a requirement or expressed as an exception with the process. >> I think it is a requirement with an exception process. >> That sounds like a good step forward, so I look forward to reviewing that with more detail. The housing report card and some

[10:38:48 AM]

pages in the presentation talk about the number of units created and units created at less than 100% 100% mfi in opportunity areas, to be clear, these are not be income restricted units? >> No, this is just our best estimate of the number of units that could be built at a 12% return in those areas. >> That would require developers to stop at a 12% return, rather than rent, as we see them do set their rents based on market. >> That would require -- >> Lots offal tryistic developers that -- of altruistic developers. >> There is lot of competition that will keep the rents at a lower level because they will lose their tenants if they charge too much rent. The idea is that this is -- they could do that and that, with competition, they would do that, and they do do that in other markets in this state. They are satisfied with the 12% return and rent is very common to find units at this level in other cities that obviously have growth rates, but nothing like Austins. >> It would seem to me that is based on -- I mean, that scenario is not terribly likely in the near future of Austin for those renales renales to fall below 100%. >> Fare point. >> We have research showing in areas where you do see rents

[10:40:50 AM]

starting to fall, the development community will respond by not moving forward with multifamily projects if the rents are falling below a certain rate. Would you say that is true in your experience? >> It is, but the fact that you can build the units under the new code is a new thing. You can goo build an economical unit, rents can fall and you can still have a profitable unit at the lower rently. >> Who type of unit? >> An apartment or duplex because you're providing more opportunity and you're providing the ability to build, incentive to build, frankly, in the new code, a more economical unit. >> Would you say that is -- what exactly do you attribute that to? >> Using F.A.R. Instead of units. John wants to speak, I can tell. Go ahead. >> Mayor pro tem, remembering the change from draft one to draft two is allowing residential or just commercial parts of the city, and that is spread where we can have housing and I think it speaks a little bit to something that council member Flanagan read in a previous presentation where John was presenting and you discussed that you were seeing the rents were past the numbers that we were talking about as an affordable number. There were already apartment buildings being built in your district that were reflective of that 100% mfi, sometimes lower than that. Again, it is taking into account the different parts you see, the cost of the land. That's the primary difference here is construction costs, if you stay in the same time of development are pretty consistent across the city. It is primarily the cost of the land that changes and then the rent that one can ask for. There are examples being built today or exist today where they are already at those levels.

[10:42:50 AM]

Again, this is a capacity analysis. Five years from now, we don't know where the cost of doing it will be. >> I want to make sure the people don't equate this number of units to this level because that really only happens if we restrict them by. >> That is true. That is a pretty big change in the draft that we're opening up the possibility to have more housing in diverse parts of the city which means we're also able to have it at different price points for land, so that is a possibility. That is one of the big increases in the possibility of having more houses built at 100% mfi. >> Okay, thank you. I do think that is a good change to allow to really look to some of those commercial corners and allow housing which is very much in line with what you imagine Austin and very much what, you know, at least I thought the rezonings, to the extent there were rezonings in the land development code, those are some I anticipated, not some of the others we're seeing. Let's see. I continue to be confused about why the capacity numbers you're using differ from the study that the city did that shows higher capacity numbers. >> With Paul Frank study. >> Yes, the capacity numbers you're using are 82,000 for the current land development code. The capacity numbers Paul Frank did for the entire city were -- now I'm not finding them. Let's see, for the neighborhood. Look at my notes here. They were considerably higher

[10:44:54 AM]

than yours. 224-530. >> 224,000? >> I believe so. And it was 119,416 for the -- if I'm reading it correctly, for the neighborhood planning area. You don't need to respond on the spot but it has come up a couple of times, I apologize, I mentioned this in another work session, it breaks down the existing capacity, neighborhood by neighborhood and projects it out by the number of -- by the increasing number of residents who can be accommodated in each of those areas. I guess I'm not clear why the numbers don't line up. >> They're both capacity and different methodologies. We used same database he did so the land supply is the same. There are other changes, too. Net versus gross. We can get you the answer, review that with Mr. Frank. Even his chart we can go down and make -- >> He does talk about having used a conservative approach, so it is just very hard, I think, for members of the public who follow that capacity analysis to understand why, especially, you know, I mean, to be clear, especially when some of the changes that are being proposed are of concern and they're being done in the name of increasing our capacity, you know, to look to those capacity numbers you

[10:46:56 AM]

would think some of that capacity exists. If we can figure out together how the numbers are different, that would be helpful. And, a couple times there have been comments in some of the other presentations that you've done, and I just want to reaffirm with you or ask you to speak to a point that I think I've heard you make that really we, through land use and code changes and even mapping

changes, it will be challenging to reach to those deeper levels of affordability that we really have to rely on other tools. Is that consistent with your opinions? >> Yes, and I think not just myself, Lorili, Erika, we are aware of that. Zoning creates the opportunity for various types of housing. Basically, it is a rule book, not an action. And I think to achieve the level levels of affordability and listening to councilor, to get the new units below that is going to require some intervention. You have a really excellent housing strategy that I'm quite impressed with that is a surprise discussion from this, we don't want to start engaging in that discussion but we want to reference that that strategy and this zoning code, designs work hand in hand so you can achieve that and as much as possible provide openings for those affordable units. And Lorili, we've talked about this a lot outside of the meetings, about that. >> Thanks. And I appreciate you highlighting some of those. I just want to quickly point out on page 59, and this is my last comment, some of what is in the

[10:48:58 AM]

unavailable section, I assume that was noted as unavailable maybe because of state regular regulations with regard to tenant zoning. On last week's agenda, I think it is last week, I don't know, we've had so many meetings it is hard to tell, but I did have a resolution that was successful to ask staff to go forward and creating a tax exemption. Probably month or so ago, it was a resolution I brought forward with some of my colleagues, ask our housing department to bring back some recommended changes with our loan programs and other funding sources for cooperative housing some just kind of keep that up-to-date, those things, I think, are available. Can you help me understand general fund appropriations, why that was marked as unavailable? >> That would be a policy question that would be up to you, if you're interested in making general fund appropriations directly into affordable housing and that is an action you're willing to take that could move up above the line. >> So I think we've sort of done that with regard to our commitment to the housing trust fund, and so that, too, I guess I was expecting an unavailable to see things that were regulatorily impossible and that is something we can and really have done. >> Thank you for those clarifications. >> Sure. >> And the strike fund, too, is also moving forward with housing folks in the community. Before we go to a P.O., your light is on. Do you have something real quick before the next session. >> And these things, you can respond to me later and I'm sorry I wasn't here, you probably touched on this. On page 39 and 75, 51, we're talking about a density bonuses.

[10:51:20 AM]

>> Having that square footage ridiculous, you don't have to tell me that, we're in a hurry and we're already do that. That's got to change. There is no money to do anything with, even with a fee in lieu of.

>> And we asked them to do that with the market value. >> That's the same thing? The \$3. That's in the density don't news. >> We're on it. >> Okay. And then the other question that I ask is about the data used to determine which new housing unit units will be 1/4 of a mile or less of transity. How did you do that? I don't need that because serve rushing through, but I need you to tell me how many employment sites are expected in 1/4-mile of transit. You might be now but you can't get to a John because there is no transit in a job. So I think some of those statistic are erroneous. >> Let's daylight the issue on processing and permitting by going through the presentation. As a practical matter, we have to pull that back to discuss but if we get through the presentation, we have a chance to see -- >> Before they leave can recollect ski one more question. >> Yes. >> Have there been an impervious cover bonus ever contemplated? >> It hasn't been discussed. It is not provided for here. Mostly talking about height or F.A.R. >> Actually, the smart housing program, previously, currently, has an impervious cover bonus and we would like to be able to continue that as part of -- as an incentive of the smart housing program. >> Is that aspect utilized very often any don't hear about that. And the reason I'm asking is, a

[10:53:22 AM]

reporter recently asked me why I thought my district had the fewest number of comments out of the districts and that is because there's really not a whole lot of change in my district because of the environmental restrictions. You can don't so. With 15% impervious cover. I have a high opportunity area so at some point, if impervious cover is really the thing that is holing us back from providing affordable housing in big parts of the district like mine, I want to know what the options are and what the trade-offs are that would be available to it's. >> It hasn't been used very often, but perhaps it could be better calibrated. >> What changes could be made to improve the viability of somebody using impervious. >> I think imagine Austin is talking about protecting certain watersheds in the Barton springs zone which a lot of your district, that district lies really restricts the amount of impervious cover. >> Right, and I just want >> Troxclair: Right. I just wanted to know what our options are if we wanted to change that. >> Tovo: I guess I need to understand what my colleague is asking. I'm not sure what a impervious cover coverrist, if we're talking about the transfer of development rights or are you actually asking the staff to analyze what the impervious cover limits would be. >> Troxclair: We have all of these other bonus programs and it doesn't seem there's a lot of property in my district -- that's the reason we don't have more

[10:55:24 AM]

redevelopment and multi-family units and affordable housing. To the extent a developer could apply to some program that would Audrey to some kind of restriction that would allow for some flexibility in

impervious cover, I would be curious what those options are. I know that's going to be a difficult thing for some on the council to discuss, but I think that we're faced -- I think we're faced with important tradeoffs here and I want to know what the tradeoff is. And if there -- I want to know what the tradeoffs were. >> Tovo: I didn't know if impervious cover bonus was talking about something specific like the impervious cover transfer of development rights and things that have -- I would just -- if we go down that route, refer us all to the situation where the city ended up spending more than a million dollars to pay somebody for their -- anyway, it was a long story that I won't talk about, but I think that was a S.O.S. Amendment, it was a citizen-led amendment. >> We'll talk to the law department because part of what you are asking about involved a citizen referendum as well so we'll get back to you. >> Mayor Adler: Take us through the processing presentation. >> Lisa wise and Brent Lloyd are here to talk about those procedures, administrative sections. >> Mayor and council, Brent Lloyd, assistant city attorney, and we have Lisa is prepared to go through a high-level presentation, but I know there are several of you that may have more specific in the weeds type of questions and so given the limits on our time we're happy to -- at the council's pleasure just dive directly into questions or do kind of a high-level overview. >> Mayor Adler: Why don't

[10:57:24 AM]

you take us through the presentation. >> Thank you. Good morning, mayor, city council. So we can go through this kind of quickly and yes, if we have any time for questions -- I don't know if the presentation is up. Just as a starting point just to remember, existing code it's not clear, it's not complete, it's unpredictable and it's hard for people to use, public and applicants. This is where we're starting from. We got a lot of input on the current draft, we need to remember sort of where we are and where we're going. We intend to keep working on this as we sort of move through draft 3. We dot hundreds of -- got hundreds of comments on the code including league of women voters, members of the cag. We've combed through those in great detail, we intend to keep working on it. Some of the key criticisms we were on competing public participation, reducing notice requirements and expanding administrative or staff level approval so we've addressed a lot of that. This is the code, just a table of consents, but -- contents. Procedures in a couple different places. You do find them in 2 introduction, chapter 2, which is the bulk of the procedures. Some procedures are in zoning because under state law we need some things located in the zoning chapter just so you are aware of why it's separated. And then there's a site plan review process. This is your current process. I think we've gone through this before, kind of lays things out from zoning, subdivision, site plan review and -- it's a common process. It's fairly simple, but kind of the -- you know, the nuance on the city is this conditional overlay. We're not recommending carrying this forward. There's thousands of these across the city. We don't recognize it as best practice and it doesn't

[10:59:24 AM]

seem like it's a sustainable tool for the city moving forward sort of going through this transaction based approval process. So one of the things, we're recommending several things in the new code to work on this if we're not carrying it forward. One is new better based Zones which incorporate some of the pieces that were included in conditional overlays are in the base Zones. Better use tables. But we're also looking at modifying the process a little bit and inserting this land use permit step. It really cracks this apart from site plan review. Right now we have a conditional site plan review where these are combined so it's pull it apart. It's kind of nuanced but really an important piece of how the new process will work. In addition, you currently have a conditional use permit, we're recommending as a -- as another level of review as we pool this process apart a little morement it's not to water things down, it's just to make it easier for some things that don't need to go to planning commission. It's another level of review. So the next few slides just quickly are going to go through some of the bigger changes that have occurred, but the three big take-aways here where we look at these and what's happened, our intent was to align the code and current city practice. What are you doing, making sure it's codified if it needs to be codified, meet or exceed state law and some places especially noticing you exceed state requirements which is a good thing. You notice further out than you have to and send more noticing than you need to, but make sure we meet or exceed state law and the code is easy to use. When people go to the code they know where to look, it's clear what the requirements are. So I'm just going to hit on some of the highlights. We have a document where we went through all the comments and responded to that. We've been working with staff on that. We'll release that. It's about 25 to 30 pages

[11:01:26 AM]

in great detail. I'm going to hit on some of the highlights here and take questions. So in chapter 1 some of the major improvements include really consolidating requirements that were located throughout the code in one place. Clarifying authority for legislative quasi judicial and administrative decisions. Really defining city departments and what they are responsible for so there's a table now in chapter 1 that lays all that out. It's a little difficult because titles and departments change but we're doing our best to align that and make it flexible in the future. We did get a lot of comments on this potential panel for the board of adjustments. It's a poppings for the city council to -- option for the city council to establish this panel if you so choose. That's in there as a recommendation. And then just clarifying the calendar days and we're working on that. We got a lot of comments last time about pulling back on noticing so we cleaned that up throughout the code. A couple of things on chapter 2. Again, just aligning your procedures with current code and practices. To some extent we're daylighting things which creates questions and comments I think when you see it in writing so we're working through that with staff and the community. Establishing new policy statements for rezoning, sort of avoiding multiple rezonings. I think there's hundreds of rezonings and amendments over time so clarifying when and how this happens to avoid unique amendments and try to give amendment a process that's more fair and

holistic. We have added new administrative relief options. One is the minor adjustment, and I know there's questions on the percentage of that, but that's a recommendation to address some of the issues that happened in the field. Expanding limited adjustments so this would expand outside the S.O.S. And we go into this in more detail. I know this is a lot. We spent a lot of time on appeals, really clarifying that and the intent there is to really lay out things

[11:03:27 AM]

more clearly for applicants and the public so they know what the deadlines are and what the process is. And then these mostly relate to noticing on this slide. You really didn't have this consolidated in your code right now and it's really important for the public to understand what the noticing requirements are. It consolidates noticing. We've done a lot of work on restoring the time lines in your current title because it did get juggled up between calendar and business days. We've made it more user friendly and went back and looked at our interested and registered parties in terms of who gets noticing, when and how you get on that list. This last slide and quickly we talked about this. Minor use permit procedure. We did add something we clarified it goes to the planning commission, not board of adjustments. Those can get appealed up to council. And we can -- okay. Never mind. We're limiting -- yes, that's a policy decision for you actually but as it's currently written there's steps planning commission. >> Mayor Adler: Did I understand correctly that you said that you have 25 pages where you have identified the comments you heard from the community and that explains how you responded to them? >> Yeah, we have a draft internal document we're working on that goes through all the comments we received on administrative procedures and we would like to release that in the next couple of weeks so you can go through that in more detail. >> Mayor Adler: The sooner the better on that would be helpful. Mayor pro tem. >> Tovo: Just on that point and I have some other questions, but is there a reason things are moving so quickly at this point. A couple weeks is going to be beyond the point where it's gone to planning commission. Is there a reason -- could

[11:05:27 AM]

you release it sooner than that like as in this week? >> I think we just need to vet it through staff and law and I think right now we've got pieces of it but we're not all through it. So I'll see if we can get it out quicker than later. >> Tovo: Even what you have. I'm getting some of the same questions and concerns that I received the first time through that you've already received and it would be helpful if you've done a process of reviewing and responding to them, then we could start there with our questioning rather than kind of background again. >> Mayor Adler: For example, the league of women voters sent us an email yesterday where to their read none of their comments were taken into account. So -- but what

you've said you reviewed that specifically and attempted to do that. So the sooner we could daylight that so that that could be discussed the better off we would be. >> We're happy to meet with groups too if that's helpful. We go through things because it is very detailed, let you know a lot of nuance, a lot of state requirements, smaller focus groups. >> Mayor Adler: If you could get that base document out, I think that would be really helpful. >> Pool: I'll add my voice to that as well if you could get that to us like by Friday. I have an idea that you probably already have the it's wants to vet it. If it's coming from our consultant and legal staff it's probably ready to go so may I ask to be posted off to all of us whatever form it's in by this Friday. >> Kitchen: I think that's a question for Mr. Guernsey. Our consultants can't make that call. Can you do that, Mr. Guernsey? >> Pool: My point is the consultants have been working with our legal staff and it's just a matter of getting the approval through, Mr. Guernsey, can we get the document by Friday? >> We've got probably a draft I know I received Monday afternoon and a lot

[11:07:28 AM]

of the vetting had been done on one and two, and so we just need to take a look at that and I need to -- I share that with the departments that are directly involved to make sure there are no inaccuracies and they all are on the same page. >> Pool: That's great. So soon is better. So thank you for that. We'll be watching for that. I had a question, Lisa, you were talking about calendar days not business days and seems like it's gone back and forth. I think we agreed it was not going to be calendar days but business days. All we removing all business and putting in calendar and if we are are we adding the weekends so if it is ten calendar days that's different than ten business days. >> Right. So it is going to be calendar days and if it needs to be business days for some internal reason, but everything else will be calculated as calendar days. >> Pool: And you will be counting weekends and holidays? >> Yes. >> And so we recalibrated the number of days back so people aren't seeing a reduction -- I think the concern with draft 1 is it stated calendar days and shortened the number of days because we were going to use business days. So we put back those days so the appeal dates have what they were before or under current code as well as using calendar days. So there's not a shortening of appeal deadlines, for instance. >> Pool: Okay. We'll look for that to make sure we don't end up shortening those tame frames. >> The intent is not to shorten anything. >> Pool: Along the lines of the legal review on our processes and our procedures, we have a delightful mix of different levels of government that weigh in on the things that we can and cannot do, and in Texas it may be different than in California or in Colorado. So I'll be looking to Mr. Lloyd, specifically to our legal staff for good information on where we have

[11:09:30 AM]

approval processes and how they are proposed and making sure that we don't inadvertently overstep any statutory mandates. I think, Lisa, you were talking a little about maybe shortening some things or maybe not taking -- maybe eliminating some levels of review and I want to be really mindful of that. We're not all about making everything a lot faster. At least I'm not. We have to have a quality process and we can't -- we can't overstep our statutory mandates, but we need to include the ones that are required and it may be that they are different in the different states you've worked in. >> Mayor Adler: Okay. Councilmember troxclair. >> Troxclair: First I just want to clarify earlier I want to make sure I wasn't misunderstood. I wasn't asking about with the impervious cover bonus, I wasn't asking about anything that would change the ordinance that was passed, but I guess the save our springs ordinance, I was asking about things we could do in the redevelopment ordinance that would fit under that that would allow more flexibility in certain situations. Sorry for not stating that more clearly. Do -- Brent, do you -- can you -- there are -- the comment about having more notification than is required by law, like what are examples of those? >> There are a couple things. We both -- you know, there are things that state law requires we provide notice of, subdivision, zoning cases in particular, probably variances too. And in those cases we expand the distance. We provide greater -- the notification boundary in the city code is greater further away from the sites than what state law requires so

[11:11:31 AM]

that's one example. Then the other example is we provide notice for types of decisions that state law does not require notice for. So we require, you know, the most obvious example is administrative site plans. Those -- we provide notice for those, and I think there are a few other purely administrative decisions that our state law doesn't really address and certainly doesn't require notice for that the city of Austin has historically provided notice for. >> So some of those, like the distance requirements, it might be 200 feet for filing for a notice. For a zoning case we go out 500 and that really became an issue when a Walmart wanted to locate at Northcross mall. And so the distance was lengthened. A notice of filing for many applications that are not required by state law, so if somebody files a site plan, files a subdivision, we provide that same notice out to 500 feet of just filing the application. We do some additional notice I think for signs being posted on properties, but these are all to help the citizens be aware of what's happening in their neighborhood. >> Troxclair: What I'm trying to understand is are there circumstances where we're notifying people about something that they don't have -- that the public doesn't have a -- that it is an administrative decision that people then call the city and say, you know, I want to support this or I want to oppose this and it's taking up staff time and resources and it's getting people -- I mean it seems there was one case in my district that it seemed that was the case and the constituent complained why did I get this notice if there was nothing I could do about it. A waste of my time and city staff time. >> This has been discussed several times over the past couple decades. The notice of a site plan that's an administrative, that's approved by staff, that was a notice that we send out where typically a citizen does not have the right to appeal because it's

[11:13:32 AM]

an administrative approval. But council came back and said that it was the intent of that notice to put people, make them aware that if there was a change that could be made that the owner might be agreeable to, that that interaction copula place even though it might be an administrative application. >> To be clear, state law does provide appeal rights, if the determination is made in connection with the site plan is a zoning issue, but definitely for site plans and building permits and other staff level decisions there's not the level of discretion on staff's part that council has in a zoning case or that a board has in granting a variance. So there definitely are situations where notice is provided for decisions that are administrative and there's just not a lot of discretion really if any on the part of staff, other than the judgment they bray to bear in reading the code and reviewing the plans. >> Troxclair: Is it possible for you to provide us a list or consider between yourselves the things that are -- that the state does not require notice for and that there is little discretion -- there is little to no discretion to change? That would be appreciated. And then my last question is this new land use permit permitting step in the permitting process, how -- I the people who have gone through this process already think it's too long. We're trying to streamline, right, and make it easier, and I'm worried -- talk to me about how adding a step is going to accomplish our goals of streamlining. >> So the idea behind the minor use permit, I want to umbrella address it, is -- briefly address it, when our consultants came with a draft code that took out conditional overlays, one of the things we tried to work

[11:15:33 AM]

with a consultant on was to find out if there were other ways to create sort of some content specific reviews, some ways to condition developments that won't require council to get involved in that level of detail through the zoning process. What a minor use permit would be is if council in the zoning matrix wants to list a use as being something that's going to require a minor use permit, that would create a public process. It would start with staff where they would get a chance to impose conditions similar to what you all may do occasionally with conditional overlays and that would be appealable to the planning commission and would stop there. So it would create a way through the site plan process to pick up some of the functions that historically council has done through conditional overlays. And it would be up to council in your zoning matrix whether to require for particular uses in particular districts the minor use permit process. It wouldn't be required for every use, it wouldn't be something that's automatically triggered. It would be up to council just as you make some uses conditional and you have a conditional use permit, if you wanted to make other uses a minor use permit, you would be triggering that public conditioning process. But it wouldn't be automatic. >> And in terms of making the process in general easier or harder, so right now you could take a conditional use permit to planning commission with your

site plan and all your construction documents under the construction element of that so you do all this detailed work before you know if you are going to get it approved by the planning commission. By breaking that apart, you get your permit first and you know it's going to get approved before you go back and do all those construction documents. You can apply for that all concurrently. In essence do a similar process, if you feel comfortable you are going to

[11:17:33 AM]

get your -- approved by planning collision or staff. >> Hopefully required of a property owner and entertained by council. >> Mayor Adler: Okay. Ms. Houston. >> Houston: I have a quick statement on notification. There's a property that's property and I got five notices. Five. At 40 cents a notice. >> Yeah, and we -- >> Houston: Just saying. There should be some way if I'm the property owner I get a notice. >> Yeah, it -- >> Houston: I'm win 5 -- within 500 feet. >> We send notices based on the tax rolls and utility rolls. You may receive two notices even for the same property because if your name is different than what exactly is written on the tax rolls. Also if you are a neighborhood representative you get a notice. In addition to those other notices, if you are registered in that manner and if you own more than one parcel because we sent it to those particle owners. We are working with ctm and development services has been working on this for a while to try to reduce those number of notices so there is fewer duplicates. >> Houston: I'll be sending those five order. When you get a notice, you only can check for or against. What if you need more information? Many who receive them don't have a clue what it's about and they can only check for or against. I view to write a little box to say I need more information. >> Do provide a phone number somebody can contact in Spanish and evening issue. On the zoning notices there is a box below you can write out comments and not check

[11:19:34 AM]

either box. >> Houston: Mr. Guernsey, you are explaining why it's all right the way it is, but if you don't know what it's about you can't write any comments other than I don't know what it's all about. Usually I've called the number and nobody answers and they don't call me back. These are the problems regular people are experiencing with the number of notices and with the content of the notices. >> Mayor Adler: Colleagues -- yes. >> Houston: Before we go, I have one more thing that I need to say for the record. >> Mayor Adler: Okay. >> Houston: Okay. I provided the questions that I had for the first presentation because I didn't want to go all the way through them to the clerk so they could be captured in the minutes. >> Mayor Adler: Okay. Thank you. Councilmember pool has gone online to the board to identify the topics she wants to hear from. It would be helpful if other people did that and I'll get with the mayor pro tem and see if we can look at additional days to keep these going and to have

conversations, and we obviously haven't had much of a time to ask questions obviously about the processes and procedures which is basically the presentation today and we may have cut off questions early on the first presentation. I'd say go on-- go on the bulletin board. >> Tovo: I would definitely like to see this happen pretty soon. I would like to revisit this. I have I believe 15 pages of very detailed questions that -- that several community members pulled together for this. Some of them are repeating their earlier comments that got folded into the league of women voters, some I think got folded into -- anyway, I don't even know where to start so I won't, but I'll just say, for example, I know there were questions on vested rights that got submitted through the cag from -- that sues son Moffitt presented.

[11:21:36 AM]

This is a very important division in the code. I don't know if they've gotten answers back that and sounds as if the existing code repeats that. I would like to very much talk about the minor use permit at a future session. I'd like to talk about the provision that would allow I think it's 232f2030, that allows a -- allows administratively for a project to be granted a 10% error waiver. And I think that's a very big change and of huge concern and I also want to talk about whether that runs into any -- runs afoul of state law and the authority it grants to the board of adjustment. Those are kind of a preview of topics. As I said, we have several very dedicated community members, former councilmember Laura Morrison, cag member Susan Moffett and others who have looked through the code and I think some of it you've seen. Whether their comments have been responded to or issues addressed. But they are important. As I hear, people have read the league of women voters which encompasses some of these concerns about the changes and processes, and we really need for the purpose of the public to have a, can about whether those changes and things shifting to administrative approval or some of what you just described about the minor use permits shifting from being something people could appeal to council. It doesn't very very often but when it does it would be because those are controversial. I think we need to look carefully about what is a policy decision. But I'm concerned that we never -- we don't -- we absolutely must make time, I would say, for that conversation to happen because the public needs to be informed about some of those changes and frankly we need to talk about them

[11:23:39 AM]

ourselves. I have a the look of questions and we might be able to resolve it easily in a quick conversation here. >> Mayor Adler: Because it's an issue and so much a -- spent so much time on this issue and because these questions have been given to staff so long ago in many cases, the sooner you can get that document out so the community can see that, the better off we are, the sooner we can have the productive -- a more constructive conversation on the issue. So I just reiterate that. Anything else for us? Then here at 11:24 this meeting is adjourned. Thank you, consultants, for all coming back, staff for all this work.