

## City Council Budget Work Session Transcript – 03/07/2018

Title: ATXN 24/7 Recording

Channel: 6 - ATXN

Recorded On: 3/7/2018 6:00:00 AM

Original Air Date: 3/7/2018

Transcript Generated by SnapStream

=====

[9:03:26 AM]

Austin city council budget work session a >>

[9:08:35 AM]

Mayor Adler: Are we about ready? Let's go ahead and call this in. It's 9:08. It is -- we can receive a report. 9:07, we don't have a quorum. We're going to begin with the report. Today is -- what day is today? March --

>> 7th.

>> Mayor Adler: 7th, Wednesday. March 7th. We'll go ahead and this is for the budget work session. We are in the board and commission room here at city hall.

>> Thank you, mayor, and good morning, mayor and council members, city manager and city attorney. My name is Ed van eenoo, department chief financial officer for the city. We have an all-day budget work session scheduled for you all, and I'll talk a little bit about the timeline for that in a bit, but we really only have two items on the agenda. The first item to present to you, the results of our 2017 community survey, and the second item will be to continue our conversations about our strategic outcome budget alignment exercise that we've been doing, and we have three outcomes for you, economic opportunity and affordability, mobility and finally government that works. And so, you know, all of this and all the work we did back on February 21 is really intended to provide you the background that you're going to need to engage in the budget process leading up to our April 4 financial forecast and budget priority setting exercise. So in regards to the timeline for today, I would anticipate that the survey and getting through the economic opportunity outcome will probably take up most of the morning. I would expect we would break for lunch and then come back and finish the final two outcomes, mobility and government that works. Depending how things are going, perhaps we might get through two of the outcomes and the survey this morning, but we'll just have to gauge the pace of how things are progressing.

[9:10:41 AM]

I would expect for your own planning purposes that we won't be here till 5:00, given what we saw on February 21, and the amount of time it took for us to get through the outcomes and to respond to your questions and to have good discussion about those things, you know, it wouldn't surprise me if we wrapped up today around 2:00 or 3:00. Some of that will depend on how long you want for lunch, of course. So I say that in advance, that I don't expect we'll be here till 5:00, so unless there's any questions about the day activities I'm going to move on to the survey. So it sounds good? We'll just move on, and I want to introduce to you or reintroduce to you Chris tatham from etc, who for quite a while has been doing a great job for the city in conducting our annual community survey. He's here today to give you an overview of the results, how our citizens perceive city services, how well we're doing as an organization, and then following Christ Kimberly Olivares and Jim Selay from the office of performance management are going to give you some demonstrations about how -- with the things they're doing with this data, some of the data analytics they're bringing to it to help us better understand the survey results, which ultimately lead to us making better decisions as an organization. So Chris, do you want to take it away? You need the clicker? There you go.

>> Mayor, members of the council, it's great to be back. I wasn't here last year so it's been a couple years but I thought I'd really share with you the results of the survey today. It's a chance to figure out what does the average resident think about what we're doing, what their priorities are. And the reason it's important is we did a study just a few years ago and we asked people, how many people had been to a city council meeting or a county commission meeting in the last year, and this was a national study, and we found that a whopping 7% of people said that they had attended. We then did a follow-up question to see if it had really been in the last year and we found out it was really only 3% because many people thought when they went two years ago that was within the last year. We then asked people, well, why did they go to the meetings, and the number one reason was to get an award or see someone get an award.

[9:12:49 AM]

That was number one draw. Number two draw was they didn't like what the city or local government was doing. No. 3 is they wanted to change things to benefit themselves. As a result we found that the typical person who didn't have an agenda doesn't show up, and they just sort of expect services to be provided, they hope that their elected officials and leaders are prioritizing things the way they want them prioritized but they're off to soccer, they're off to doing the things they have to do day in and day out, so without a tool like this sometimes you'll end up only hearing from people who want you to do things differently than you are, and that isn't always in the best interest of everyone. So a tool like this balances what otherwise is a very important public process where you have the open meetings, but it makes sure that you have an opportunity for the average resident to let you know what they're thinking. So today what I'm going to do is just walk you through. I think some of you are new, just really how the

survey was developed, how it's administered, the methodology so you're comfortable with it. I know I leave this afternoon, I get on a plane and I do on to another city. You're the ones who actually use this for decision-making, so I want you to feel comfortable that it really does represent what your residents think, and some of the strengths and weaknesses just in the way we do the sampling. I want to give you the bottom line up front. I used to be a military person years ago so I tend to say -- if you had a big broadcast and you're dozing through the 486 slides I put together, you'll at least remember the key things before we go through it all, and then I'll walk you through those findings. But I think most of you know the reason we do the survey is to really get an objective assessment each year from what the overall attitudes of residents are toward the city, both with regards to service delivery and what they think the priorities are. The surveys were designed, the sampling plan in 2000s. In 2009 is when we finalized the structure we use, this is part of a longitudinal study, so when we do the sampling we're looking at the consistency of this year's sample with previous years so that way if something changes from year to year we can really conclude that it was done based on changes in true perceptions, not changes in differences in sample composition.

[9:15:00 AM]

And I'll explain that in a little more detail. We also run kind of a trend like what the average has been for the last five or six years and so I'll show you how things have changed since 2011 till now and let you see what the priorities are, and it's not a real surprise, traffic flow, I'll just let it out of the bag now, is still a big concern to residents, but we have seen some progress in some key areas, which is really, really good this year. With that said, the survey methodology --

>> Mayor Adler: As you're going through that, we have a quorum now present so I want to announce that, and council member Casar has checked in and he's not feeling well so he's not going to be with us today.

>> Perfect timing. I'll get into the methodology. What our goal is is to make sure we have good data for each of the council districts, so one of the things that we do is we do a random sample of residents by council district but the sample stratified citywide. The goal is to get 200 surveys from each council district so you can see what your constituents see. And the survey these days is done by a combination of mail, phone and the internet. I'm not sure how many of you have actually answered your phone recently but most people don't answer their phone. What's interesting now is because email has become a much better way for people to be connected, we actually purchase email addresses for the households that are randomly selected, so for all the households that are selected for the sample we can get about 60% of the emails for the head of household, and so that's another way that we can follow up. So if your household is selected we initially mail you a survey and a cover letter. We then follow up with phone calls and emails to that household. What's interesting is now we actually have more inbound calls than we do outbound calls. It used to be we would call people at random, they'd pick up their phone and do a survey. Now what we do is leave a voice message and they call us back. And we offer the survey in multiple languages, particularly Spanish. That's the one that we have the most participation, but we also have mandarin -- or Chinese and Vietnamese and other ones that are available to make sure that the diverse population is captured.

[9:17:05 AM]

These results aren't perfect, but they have an accuracy of about plus or minus 2.1% of the 95% level of confidence, and that just means if we did the survey a hundred times, 95 times out of a hundred you'd get the same results. And I know council member Flannigan, you had a little concern about the renters being represented. What's kind of nice about this is I actually went back and I'm not sure -- I think you're newer to the council, but this was raised as a concern previously because over half of your households are rental properties, and that's a difficult group to capture. So in 2010 we only had 384 respondents to the survey that were renters. You made a decision as a council to expand the survey sample a couple years ago and we've paid more attention to making sure that renters are captured. They only represent about 31% of the sample, but that's 684 renters compared to 350 a few years ago in the sample of 684 renters is actually an extremely large sample for that. In other words, that sample size has an accuracy of plus or mine 3.7% at the 95% level of confidence for renters, and to get it to 3% you'd have to do almost 1100 surveys. And so one of the things that I always take a look at is are there differences between renters and homeowners, and last night when I was looking through the data, the difference between those at least with their overall satisfaction is less than 1%, and that's one of the reasons we haven't weighted the data because our main concern is to focus on the geographic and some of the other demographic factors, but we do provide that data to the council, because I know it's a big issue for this community. So I just wanted to emphasize, that's one of the things I personally care about, and at the end of the day I'm the one who shows up to you and has to tell you, are you really doing better or you're not doing better and I want to make sure we have integrity within the sample so I can make that judgment call. And the nice thing is this year you're definitely doing better. You're making some progress and I'll share that in just a little bit.

>> Mayor Adler: Is this posted anywhere if someone is watching this and wants to pull it up?

[9:19:07 AM]

>> Kimberly, chief performance officer. The report has been posted on-line. The presentation will be -- will be added as backup to today's agenda momentarily.

>> Mayor Adler: Okay. Thank you.

>> As far as some of the demographic compositions, you'll notice here that this shows the differences by income, and you'll see there are a larger percentage of low-income folks in the city that are not represented. The median income in the survey is about the same as the median for the city as a whole. It's a little over 60,000 according to the acs, which is the American community survey from 2016. What you'll notice is if you look for the 50% margin ,it's between 50 and 75, if you look at the distribution for this survey compared to the last couple it's pretty consistent. In other words, we're not radically changing the sample from one year to the next. When it comes to the racial distribution, which is something we actually monitor closely during the distribution of survey, you can see within each of the

race categories whether it's the whites, hispanics, African Americans, most of those match very closely to the most recent census estimates for the city. And we look at things like -- just as the percentage of hispanics, we actually get a slightly higher percentage of respondents than there are for the acs. We have 37% compared to 35%. And this is one of the key reasons we're a little off on the demographics when it comes to renters, and also the income. A decision we made back in 2009 to make sure you had good data for all age-groups was to essentially make sure that about a fifth of the respondents fell under each of these five age categories, and the reason for that is there's a lot of services you provide that affect seniors. And because this has a very young population we didn't want those to be underrepresented in the survey, because you'll notice about 42% of your sample is 18 to 35, so if we surveyed at that level you'd end up have a small percentage of folks who are over 65.

[9:21:09 AM]

And so by maintaining the systematic distribution for about one-fifth of the respondents in each category each year, your city is able to basically assess the differences in those age-groups. But because of that we tend to have more homeowners, because you're a little older, the younger folks. We also have a little higher income in our samples. Those are the two issues if you're looking at the survey for the first time you might think those are a little bit off but the reason they're off is because this is a longitudinal survey and we're trying to make sure that from each year to year the sample integrity is similar. So if I come back and report that there's a difference from last year to this year, it's truly a difference, not just a change in the sample composition. I hope that makes sense to everyone in the way that we've done this. With that said, I guess the geographic distribution, as I mentioned before, this is just the dot show where people live, and this shows the density of the city's population on the left, and the chart on the right shows where the people responded from, and you can see the density of our sample very closely reflects the distribution on the survey. So all in all one of the things I have to do and I've been doing this for 20-some years and surveyed more than 2,000 communities over that period of time is can I tell that you the results this year are statistically representing the community, and I think we have a very high confidence that they are. So as I discuss changes in what your priorities are in the next few slides I think you can have confidence that this data truly does reflect what people in the community think. So with that said, here's the bottom line up front. If you had a big breakfast this is where I'm going to end up in a little bit, but the first thing is one of the reasons you have a traffic problem is because you get great ratings, a place to live and work. Communities that are desirable have people who come to them. That's not an unusual thing. And so it's kind of the two-sided sword or the fact you're a great place to live and work but that means you'll have people coming here each and every day so you'll have more people in the community. The other thing that's really great about this year is I've been here -- wasn't here last year but several years leading up to that, I came back to what I felt like was negative news each year.

[9:23:12 AM]

Each year the ratings seemed to be going down a little bit. This year I believe you shifted the course. This year generally across the board results have improved. We've seen significant improvements even in things like public safety, which is one of the areas you're strong in. Those things have improved. So you're to go consolidated that some of the -- congratulated that some of the decisions you've made are turning the ship in the right direction. Another thing I want to commend up front is the customer service that's provided for the city is truly unique. I know we mention that each year, but sometimes when you have everything else going on, you forget just what great employees and processes you have in place. Your customer service rating is 25% above the national average for large cities with over 25 -- 250,000 residents, just really tremendous. When it comes to things that you can do better in, traffic flow, really at the top of the list, infrastructure, planning, things like that, but I think it's going to be a while before your traffic flow issue, if it ever is resolved. Part of it is to keep it from getting worse. That's one of the things I've noticed in communities is people kind of get used to traffic flow. They just don't want it to get worse. So if you make it better that's going to be a great thing. If you can at least keep it where it's at long-term that will have a positive impact on people's perceptions of the city. So that's where I'm going to head as far as our conclusions, but I'll start off first just kind of the general perceptions. I'm going to go into how you compare to others and then talk about the trends as we get a little further along in the data. So first things as I already mentioned is we asked residents to rate things on a scale of 1 to 5. People always wonder, what does neutral mean? Well, no one says neutral. They basically give a rating of 3. And what we found through our research is if somebody gives a rating of 3 on a 5 point scale, they typically think it's okay. They aren't feeling really positive, they aren't negative. It's not a problem, means things are okay so what we do is track the positives, the 4 and 5s, which are exceptionally good experiences.

[9:25:15 AM]

If you're a high performing community you tend to want people to have a good impression, not just think you're doing okay. When you look at these results you'll notice when it comes to a place to live, a place to work, overall quality of life in the city, you can see people get very good ratings. People like to be here. They want to be here. What I want to highlight, though, is if you work your way down, you'll see 20% of residents gave negative ratings for the overall quality of services and that's one in five folks, but for every person who complains, you've got about two and a half who actually feel good about what you're doing. So 50% actually feel good about the overall quality of services, and you're moving in the right direction. We saw a pretty significant improvement there this year. In addition you'll see that the overall value for taxes is pretty much split. You've got a third who feel pretty good about it, about a third that feel okay, and about a third who would like it to be better. But again you're moving in the right direction there and I'll share in a bit. The one area where you see significant levels of dissatisfaction is with the planning for growth but a lot of that has to do with perceptions of traffic flow. Almost every community where I've surveyed that has concerns there also has concerns about people getting from point A to point B, and they often blame it on planning even if they don't fully understand what planning entails. As far as some of the major categories of city services that were assessed, you notice you've got some that really rate great. You notice that for example public safety, parks and recreation, your airport, wastewater, all of those, animal services, have very little dissatisfaction. In fact, those services you'll see

each have at the very top of the list, you have a whole core of services that get 20% or more of your residents giving a rating of 5 on a 5 point scale, and that's what we tend to call having good brand equity. In other words, at the end of the day when people think of those services they tend to have a real positive view. There aren't a lot of people giving negative ratings and as a result when you have a lot of brand equity you can make mistakes in service delivery and people forgive you.

[9:27:15 AM]

So at the end of the day if something happens at the airport, if someone has a bad experience, they're going to think that's atypical because most people feel good about the airport. On the other hand, if you look at the things down at the bottom of the list, the things like traffic flow, people are not forgiving there. There's already very high percentages of negativity, so if one little thing, if a stoplight takes five seconds longer than they're expecting, they automatically think that things are worse than they are. And so as a result you've kind of got two sides of -- got two sides of service delivery. One side, people are very willing to forgive and think things are just great but then you have another set as you work your way down the list that people are going to be much more sensitive to service failures on particularly traffic flows. I drove in today from my hotel, and I'm sure the people around me, when the traffic light didn't change or suddenly there was some construction that wasn't planned, though little things tend to irritate people much more when they're already dissatisfied. You can probably relate that to yourself. If you've been to a restaurant and had bad experiences before waiting and then you show up and it's taking longer than you want, you quickly jump into the position where you're dissatisfied. On the other hand, if you go to a restaurant that you love and they deliver your food a little bit later, you think that it's atypical, and that's what we're kind of seeing with some of these services. One of the things I think is really great is the view that residents have on your employees. Even though there are --

>> Do you want us to ask questions now or wait?

>> Mayor Adler: Let's see if we can go through it.

>> One of the things that's -- the great views of your employees.

>> Mayor Adler: Hang on a second. Ms. Houston?

>> Houston: Thank you. I know you're trying to rush through it but you're talking really fast.

[Laughter] And I didn't want to interrupt you there but since -- interrupt you there but since someone else did.

>> Mayor, I'm flexible, so for you to ask questions, either way, I can go through or come back. So if it's urgent I'd be happy to slow down. When it comes to just the perceptions of your employees, you'll notice that generally very good ratings -- most folks believe that you are an ethical community.

[9:29:19 AM]

You may not always hear that, but for the vast majority of people do believe that, and I think the consistency of the high customer service ratings that you get just reinforce that your residents think highly of the people who work here. And I think that's a real strong position. Not all large cities have that. In fact, many large cities just by default, because they're large and people don't have personal relationships with them, tend to think more negatively of the city employees. So you really have that going for you as a city of your size. The second thing is just the perceptions throughout the city, and for today we created dozens and dozens of maps, so the full report you can actually look for just about any question in the survey and see how people in different districts rated the service. And what we've done is we've essentially shaded where people live by district based on the average rating from that district. And so if you look at the maps, ratings that are satisfied are shaded in blue, ratings that are okay are -- the typical ratings, more in the midrange are an off white, and ratings that are negative or where dissatisfaction exists. This is overall dissatisfaction with city services, you have either blue or off white shades in all districts. So you don't have any district that really feels neglected but there certainly are opportunities to do better moving forward, but all in all most of the ratings are pretty consistent when it comes to the overall perceptions citywide. But when it comes to individual services, that's where if you look at the detail, which I'm not sharing today, you will see some significant differences from one district to another. As far as how you compare to other communities, I think oftentimes we get lost in the fact that we focus on the negative, and that's what sometimes leaders have to do. You get elected to make the community a better place and so you tend to focus on the areas of concern, but I don't want to take away from the fact that this city is doing a lot of things right. In fact, we do a national survey each year of 4,000 residents across the United States.

[9:31:25 AM]

We also have a database that has individual results from a wide range of communities, both nationally and also here in the state of Texas. And what I want to do is just show you how you stack up to some of those averages over the next few slides, because it's really a lot to celebrate. For example, you'll notice on this chart the results that are in green are the US average for communities with more than 250,000. In just a little bit I'm going to show you how you stack up to some each larger standards, but you'll notice that as a place to live, a place to work, overall quality of life in the city, and a place to raise children, you're above average in all of those areas. In fact, you're significantly above when it comes to quality of life, and also the ratings of the city as a place to live. When it comes to the overall quality of city services, you're also significantly above the average for other large communities. You will notice, though, when it comes to value for tax dollars you're a little bit above, but when it comes for planning new growth, that's one of the areas you lag behind, and again, I think a lot of that has to do with perceptions of traffic flow, and the general assumption is if traffic flow is bad somebody didn't plan correctly and that's oftentimes what people simplify it too and I think that's one of the reasons you see yourself lagging behind other communities in that regard. When it comes to some of your major categories of services, really just want to commend your parks and recreation system. It's 13 points above the natural average compared to other large communities, so you're doing really great there. You'll also notice that your quality of your drinking water, your public safety and animal services are all significantly above the natural averages. Your libraries, your storm water are also above. They're not -- I



haven't flagged them with a blue arrow moving up but they're also above the national average, but you'll see the storm water and traffic flow are the areas that lag behind, and traffic flow particularly at 11%. You can see that the average for other large communities is low at 30%, but you can see that comparatively that's probably one of the reasons it's one of your bigger issues.

[9:33:29 AM]

When you look at safety, though, this is where you have some real strengths. What I like is how safe people feel in their neighborhoods at night. For me personally, I've done this for 20 years, I believe that's one of the best indicators for overall safety in a community, and you'll notice you're 24% above the national average when it comes to that. So just hats off to designing, developing and maintaining a community where your residents feel safe where they live, particularly at night. You can also see your perceptions of safety in parks is 10% above the national average, and that's also another area that tends to suggest you're doing a lot of right things, especially when you're as large as the city of Austin, as fast as you're growing, sometimes it's hard to keep up with changes and new areas will be impacted or could be impacted by crime. This really shows that you're able to sustain what people expect as far as perceptions of safety as you continue to grow. And you can see that in some of the specific areas that were assessed. You'll see areas that rate significantly above the national average are your medical assistance, provided by ems folks, is 14% above the national average. Police services, 10% above the national average. And this for me was perhaps one of the most interesting findings, and it really shows me how well you're deploying your police assets. Take a look at the second one to the bottom. Speed of emergency police response. That should be below average because traffic flow is a major concern. You know, at the end of the day most communities are -- traffic flow, they then believe that police and others can't get to me in time because traffic is terrible, but the fact that you've overcome what should be the perception and you're actually significantly above average really shows me you're doing something well communicating your ability to respond to people, and I think that's one of the reasons that people feel so safe, particularly where they live at night as they think the police can get to them even despite you might have some traffic flow concerns, that that's not varying your ability to provide public safety protection.

[9:35:33 AM]

Some of the other things we looked at on the transportation side, you can see streets and neighborhoods, definitely one of the your strengths compared to other communities at 23% above the national average. You're also doing significantly better when it comes to the condition of your sidewalks as well, and you can see you're more or less on average with major city streets, but it's actually a little below average, and as I show you some of the priorities, even though your traffic flow is your bigger concern, I think that's one of the reasons it does inch up in the priorities on your major street maintenance, and I'll show that you in just a little bit. When it comes to your neighborhood and residential services, you're doing great with residential garbage collection, particularly with residential

curbside recycling. You can see you're head and shoulders above most other communities there, and just how well you take care of the cleanliness of the communities, you can see your streets and public areas are significantly above average. In fact, on this set you're rated at or above average in all five areas that we looked at. And as I mentioned before, your overall parks and recreation numbers are significantly better than the national averages, and you can see some of the particular strengths you have is your swimming pools, you can see are 14 points above the national average when it comes to your pools. Your park facilities -- quality of your park facilities is 8% above the national average. Walking and biking trails is also 8% above the national average. And then how well you take care of the appearance of your park grounds you can see is also significantly above average. So all in all your park system -- you will notice one area trail -- your trail is athletic programs is 4% below the national average but outside of that you're very, very strong, pretty much across the board. I'm saving one of the highlights for the last that I already mentioned, because this just really shows what I was emphasizing before. You've got great people working for the city. You've got a great culture.

[9:37:33 AM]

You don't get to be 25% above the national average, which -- in this case 25% seems like a lot, but you'll notice it's almost double the national average compared to other large cities, it's 61% compared to the average city only about a third of residents feel good about the quality of customer service they get. Here you have over 6 out of 10. So again, great organization, great people, and clearly a commitment to making sure that people's needs are met. And what I like is that they're not blaming the people, even though there's -- 11% satisfaction with traffic flow is not particularly great. I do a lot of these surveys, but it's very rare that I see a city have an area that's so highly concerned about, but then also feel so good about city employees. So I think you've really got something special here in Austin with your people. The last couple things I wanted to share with you is just kind of head-to-head how with a few communities over 100,000, particularly several here in Texas, you'll see we include Dallas, Fort Worth, Houston, and San Antonio as part of the comparisons of surveys that we are doing regularly here, and you'll notice compared to the smaller group that your performance is even better in many areas compared to these other large cities. In fact, you'll see fire, emergency medical service, parks and recreation, it's almost every service on the list you're significantly better. In many cases you're more than 10 or 20 points above the national average, and this was where you particularly see that customer service, how much you stand above the other large cities that are in our database. I also want to point out that code enforcement is really difficult for large cities, and particularly university cities tend to lag behind, and you can see you're doing much, much better than these other cities when it comes to your code enforcement. But as you work your way down the list you will see that maintenance of streets tends to lag behind, and the biggest area there of concern is the traffic flow at 11%. But all in all you're performing extremely well compared to other communities.

[9:39:37 AM]

So with that said you might say, well, how will things change? I wanted to save this for the last because in some ways this is cause for celebration, not just that you're doing well but that you're moving in the right direction. You'll notice what we show on this chart, the five is the five-year average from 2011 to 2015. We then have the results from last year in yellow and the results this year. And this is the percentage of folks who give ratings of 4 and 5, so these are your satisfied respondents. Many people were okay, but we're really trying to show the ones who had a positive impact. And you can see really across the board you'll see almost every area had significant improvement compared to just a year ago. I want to highlight a couple of these. You'll see your electric services rebounded rather significantly, and what's been a challenge for me sometimes when I come, the last few years until now, we've seen kind of a gradual decline. So this is kind of -- I feel like you've turned the corner in a lot of ways with what you see on the results here. You'll see the effectiveness of communication is up. Management of storm water is up. So even though that's rated lower, it's one of the things that's moving in the right direction. I didn't flag traffic flow, but it actually went up 1%, which doesn't seem like a lot, but it's the first time it's started moving back in the right direction for a while. And you can see your parks and recreation, drinking water service, public safety services, all across the board we've seen a rebound. And someone asked me, well, is this just happening nationally? No, most places for the last year have been about the same. We did see some decreases, rather significant ones, back in 2016, but this year tended to be normalized. So this year everywhere I go and present good results, there's another place I'm presenting negative results. So all in all this is pretty much one of the things I think is really showing you're doing some things differently, which isn't a result of just national attitudes or people feeling better about the world. When it comes to some of the perceptions of the community, you can see as a place to live dropped to live a little bit, and when I did some regression analysis, again, concerns about traffic flow were probably making the biggest impact on that.

[9:41:43 AM]

And you can see the place to retire. What's interesting is the people who were most opinionated about the place to retire were people over 65. They're more satisfied than young people, and you can expect that but that's dropped a little bit. When it comes to overall quality of city services that was at 4% compared to a year ago, and I think that's because generally across the board we've seen so many things get better, and even the planning for growth, which is really a big turnaround, 3% is -- may not seem that significant, but I might highlight when we emphasize a statistically significant change we're talking at the 50% level, so as you go to zero or you go to a hundred, that percentage is actually smaller. So at 50% it's plus or minus 1%. But if you're at 1%, it's no longer plus or minus 1%, it's much smaller than that. So that 3% improvement is a substantial increase compared to a year ago. So things are definitely moving up in that regard. Also public safety. You'll see how safe folks feel at night has gone back up to being equal with the five-year average, which is great, and also your perceptions of safety in city parks is actually now higher than it has been for several years, particularly when we look at the average previously. So I think things are moving very much in the right direction on the public safety side. So a lot to feel good about this year, but there's still a lot of opportunities to do better, and that's kind of where I'd like to close tonight, is just to highlight some of the things that are coming up. The first is just when it comes to major categories of city services. One of the tools that we use to help identify where you

should perhaps invest or communicate better to residents about what you're doing is using both the satisfaction data but also the importance data. And the reason we do that is suppose that everyone in the city was dissatisfied with something but nobody cared about it.

[9:43:46 AM]

If you went and invested a billion dollars in that nobody would probably care about it. So we want to not only look at the ratings you get but also the relative importance of those services, and what you'll notice on this chart is that traffic flow is right at the top of the list with regard to being most important. You'll see actually on major highways is number one, and then you can see city streets is third most important. The second most important item is your public safety services, which is typically the number one item in most large communities, but you'll see the satisfaction ratings are so much lower on those with 4 and 11% respectively. That's one of the reasons that comes to the very top of the list, and that's likely going to be an issue that you're going to be dealing with for quite some time. But as I mentioned before, you may not be able to suddenly make it easy for people to get everywhere around town, but making sure it doesn't get worse will actually help you in your ratings as you move ahead. In that first tier after you get traffic flow, then you have planning and zoning services, maintenance of streets, particularly major streets, your public safety service and health & human services kind of round out the second tier of priorities. This doesn't mean that the things down at the bottom aren't important. It doesn't mean that people don't care about them, but if you're actually trying to maximize or improve the overall perceptions that people have of the city, emphasizing the things with the higher importance satisfaction rating will have a greater impact on future perceptions of the city overall than some of the things that are at the lower levels -- or lower areas of the list. We then have categories, just a couple of these to share with you when it comes to transportation infrastructure. You see again major city streets is there when it comes to an infrastructure investment. This is different than necessarily traffic flow, but you can see the traffic signals work their way into that, again, because I think of the importance of traffic flow overall. Those are the top two areas in transportation infrastructure. And when it comes to public safety, you can see the overall quality of police services, and don't -- that doesn't mean that police services, you're not doing well.

[9:45:48 AM]

In fact, you can see 69% give positive ratings and that's actually gotten better and towers above most other large cities but it's just so important to people continuing to emphasize police services is important. And you can see the response times, which I also shared with you, is a relative strength of yours. Those two things you want to continue emphasizing and letting people know what you're doing in those areas. So I know I've dumped a lot of information on you. We actually have several pounds of report. I think we work it out in the contract to charge by pound as far as the numbers of pieces of paper we get you, but really, there's just a wealth of information here. I know Jim and Ms. Olivares are going to share just a little bit of what the city is doing with the data, but I have to say most cities don't take the

next step with the staff to actually use the data. They get a report like this. I disappear for a year, I come back next year. It's almost a kind of hit-or-miss as to what's happening. So I think a lot of the success that you're starting to see with the data is the fact that you've got staff that's really using it. They're diving into it at a much deeper level so you can really take other pieces of information that you have from other sources that are maintained by the city, and with that I'm going to turn it over to them in just a moment unless anyone has any questions.

>> Mayor Adler: Question about the report?

>> Thank you, this is awesome information and it was very interesting going through the full report. I have questions -- my first is, it seemed like the airport and child care, like there were a lot of, you know, general subject areas, and then the airport and child care were specifically pulled out. Can you explain why?

>> Well, the survey has some sections like public safety that have a lot of detail. Other areas we don't have as much detail, so they're kind of lumped in with the others, to at least get some information.

[9:47:50 AM]

So in other words, we just give them the limitations on time that we have for people to complete a survey, we aren't able to ask an entire section of questions necessarily about the airport or those issues. So that's one of the things, though, for future years, one of the things that I know staff and I work with each year when we update the survey, is are there new topic areas perhaps to add. But that's the main reason, is we have to keep the length of the survey to a certain level so it doesn't get so long that people won't fill it out.

>> Garza: I'm sorry, I was walking in when you were explaining your -- stating that it's a good representation of our community, so I missed some of that. But -- because I don't know exactly how dependent is -- so on page 12 of the record, not of the presentation, sorry, but it talks about the how many dependents does your household claim on the most recent federal taxes. Some people claim zero. If I'm single I can claim zero or one, right?

>> Right.

>> Garza: So I guess this seemed to be -- it's hard to tell what size the family size is here and it seems it's more representative of smaller family sizes. Is that right?

>> Well, and there are -- if you just look at numerically, there's more 1 and 2% households in the city than there are larger households, so the distribution there. It's hard sometimes to tell whether people fully understand that question as well. It's a unique question that we put on this survey, and part of it I believe that staff has been able to use it and take a look at how do people with different size of households respond to different situations. But sometimes you might -- and even if you claim none or one, that doesn't mean you're a small household, it might be what does the person who filled it out do. So in other words if you were married and filing separately you might not claim anybody on yours but

you filled out the survey, so those are the kinds of things that are potentially introduced to that question that we can't control for.

>> Garza: Okay. Because I guess I thought it was maybe less representative of true -- the number of families that we have here and family size.

[9:49:55 AM]

And then the other part I found interesting was the question about number of children in household who use child care services, and it was significant -- it says 10%, but then the question that says the overall perception residents have of the city, and of the one specifically Austin as a place to raise children. This makes it sound people who filled out the survey, not many of them use child care services, but they believe that Austin is a great place to raise children. So I guess I just want to make sure as I'm working on child care issues, this isn't -- this doesn't really, in my opinion, reflect the need for child care when it seems like for the survey, at least, while people said it's a great place to raise children, they don't use child care services.

>> Again, you have to think about 10% is actually a lot of folks. It's over 200 respondents to the survey that have a need for child care, and if you then think about, well, what ages of people, you know, need child care, you know, all your households that don't have children, your senior households, you know, the ones who have older kids. So even if it's just 10 to 15% that's probably not unrealistic for the number of households in the city that have a true need for child care. Other households don't really have the need because they may see, well, we have a stay-at-home mom or dad, so that 10% isn't necessarily a reflection of what it's like to raise a child here, because at the end of the day people who have lived here, they have a perception, is this a place where I'd want to have perhaps my grandkids and people move back among their older folks. It could be people who are in their 20s or 30s who haven't had kids yet, are they going to stay here. And so that indicator of what it's like to raise a child, really we can look at it at all different levels, not just those who have children but oftentimes that's a future indicator of whether or not people are going to want to come and continue living here. And so when you get good ratings generally like you have been historically as a place to raise children, that suggests that you're going to continue drawing families and other people here in the future.

[9:51:57 AM]

And so that's one of the strengths of the city, which we can -- and I don't know the number off the top of my head, then break the results down for those who truly have a need for child care, how does that stack up to people who don't, and the differences. So those are one of the reasons we have that question in there is to provide you with the ability to break the data down even more for some of your specific needs, so it's not necessarily to make sure we have the exact number of child care but of those who do have that need we can take a look and see, well, of those 200 and some respondents, what are

their views about a number of other issues that probably are going to affect some of the decisions that you may have to make.

>> Garza: Okay, and I appreciate that so I --

>> Houston: Council member, can you tell us what page you're on?

>> Garza: I'm sorry, I'm on --

>> Mayor Adler: The full report --

>> Garza: This slide doesn't have the --

>> Yeah, I didn't include that in the --

>> Garza: It's 34 -- 33. 33. And then the report, it's page 13. Yeah, I just -- you know, I appreciate the perception and how it's -- how it's clearly spelled out it's the perception, but, you know, I guess the reality is I probably -- you know, after you actually have to pay for child care and you have so limited options and you see all the wait lists you have to be on, the reality is clearly different than what it is. But I'm sure staff is taking all that into account.

>> But if we haven't, I'll make sure that we do provide that cross-tabulation for you so you can actually see for that group that has a need. I just don't remember off the top of my head, but I can understand the needs that you have for that data, so I'd be happy to go through and look at significant issues that might help you with some of the analysis or decisions you might be making.

>> Garza: Sure, and I have one more comment and I'll pass the mic. I really -- I think it's -- and I'm sure you're probably getting to this, but if there's some way to overlay this data over -- when we start talking about the bond, because I think that will be important to see as we decide, you know, the levels of bonds for what departments.

[9:54:00 AM]

You know, on one hand you could say something with a very high rating, let's keep doing what we're doing, or you can say, maybe if it's so high off the charts high, we don't have -- we should be moving bond dollars to areas that are significantly low in an area that there's a lot of dissatisfaction. So I think, you know, if we can somehow overlay this survey with the bond recommendations would be great.

>> We can definitely see where those overlay options exist. One thing I wanted to point out about the child care, the question about number of children in the household that require those services, that was a new question this year, and we also had several other questions related to affordability. So once the city auditor completed the affordability review we're able to take the major facets that she identified as the affordability and integrate those into the survey, the questions about affordable quality, access to affordable quality housing, quality child care, health care and food. So we wanted to be able to take the question about access to affordable quality child care and relate that also to those respondents that noted they had a need for after -- for those child care-type services. And then we also had the ability to connect that with other data related to costs of child care and things like that. So we wanted to be able

to address the affordability aspects that have been so important to this council and community in a more meaningful way this year and also give the capability of breaking that down in a much more useful way, particularly because of that child care conversation that's been going on.

>> And one more thing on that note. You know, if 10% are using child care, it is a lot, but I also just want to point out that sometimes families choose to just -- mom just chooses to stay home because it's a wash because child care is so expensive, so they're not using child care services, but it would have helped that child to have early childhood development. So yeah, I just wanted to make that point as well.

[9:56:01 AM]

>> Mayor Adler: Okay. Ann? And then Ms. Houston, and then council member alter.

>> Kitchen: I have a question about -- well, it's not a specific page per se, but the question about transportation, about traffic flow on major highways is a new question, and we've had conversation in the past about -- and the reason for that is there's a difference in what the city's authority is in terms of what we can impact. So I'm curious -- so we've separated those out for the first time, the major city streets and the major highways. So I'm curious if we did anything as part of the questions to differentiate for people what we meant, because I'm wanting to really -- I'm surprised, I would have thought we would have seen more of a difference. And so it's good information for us to see that there isn't that much of a difference and there's still that concern for major city streets. I'm just wondering what people have in their heads when they're thinking major city streets, and if they really are differentiating between highways and the streets that the city is responsible for.

>> Right. So in 2016 we worked with the transportation department to make sure we were splitting that out in a way that was going to be most helpful. So the question we asked -- we added, we had traffic flow, major highways and we actually list examples.

>> Oh, you did.

>> 35, mopac, 183, traffic flow city streets we list congress, burnet, palmer, Riverside, et cetera et cetera.

>> Kitchen: So you give examples.

>> We had the same exact concern that you just noted.

>> Kitchen: Okay. So then the second question that I have is just -- it would be very helpful to see this information as a breakdown across the city, because giving it to us in the aggregate like this doesn't tell us if we've got problems in different parts of town. So the slide that is the aggregate slide tells us a little bit, you know, the one that has the -- I forget, it's one of the first ones, it shows the blue, but it shows -- most of the city is not in the blue, you know, in terms of their satisfaction.

[9:58:15 AM]



So I just think it would be more useful for us -- or not more useful, but it would be an additional usefulness for us if we could understand what -- what this is showing us in parts of town. In other words, you know, we may have overall satisfaction as a whole, but there's parts of town where we really have way below satisfaction, and because it's averaging out we're not seeing that.

>> And that's a great point. Actually in the full report in section 5 --

>> Kitchen: Yeah, but I mean, when you present it to us, I think it's helpful. I know it's in the background, but when you present it to us, it helps us have a much better discussion, I think.

>> We actually, one of the things that we wanted to be able to show you after the questions is demonstrate just exactly that, that we're -- we can demonstrate where we've taken all the responses from -- in terms of just the pure -- the numbers and look at trending and through application but also the giss. So we're able to look at the respondent location and also compare to different layers. Looking at park satisfaction in relationship to locations of the various park facilities, or or roads or other various things. That's one of the things we'll demonstrate to you in a moment.

>> Kitchen: Okay. The last question is -- and this may get to actually what you're about to demonstrate, is that it would be great to make sure that we align this survey in the future with our strategic directions. So that somehow or other we align this to the metrics -- you're probably going to talk about that.

>> Before we do the -- actually, I apologize. There may be other questions.

>> Mayor Adler: And there are just a couple more. When you post this in backup for today, can you also post the link to the full report so if someone comes to today's session they can just click on the link as well?

>> Yes.

>> Mayor Adler: Alison?

>> Alter: Thank you. There's a lot of really good data in here and I look forward to diving more into the report.

[10:00:16 AM]

With respect to the low scores on planning for growth, I didn't see when you compared us to those other -- that subset of cities, that comparison. So there are some cities who are in the larger benchmark where we do have comparison that aren't growing. So how do we compare to cities that are growing or growing at a pace comparable to us?

>> If you're interested, I could probably pull that out for you from -- by vehicling some particular cities that are in growth mode.

>> Alter: I would like to see because then we could look at those cities as places we could learn from and see what they're doing that maybe we're not doing and it could provide some additional insights into stuff. On page 24 you have traffic enforcement listed. And that's related to the public safety services. What I hear from my community all the time is that has to do with their feeling about transportation and traffic flow as well. Can you drill down a little bit more to say what you learned about enforcement and satisfaction with traffic enforcement.

>> Your traffic has probably done more drilling down than I have, but I can comment that typically what happens in communities that have traffic flow issues is what happens is people start driving through neighborhoods and things like that more quickly so the concern about traffic flow rolls over to traffic enforcement because people are now driving in areas that are not designed for higher speed traffic so then it's not unusual to have concerns about traffic enforcement issues in communities that also have concerns about traffic flow.

>> Alter: And maybe at the appropriate time our staff want to share that. Now -- if you're going to drill down in a minute, that may not be the appropriate time. And then my last question right now is about the question about stackets. So one of the challenges we have that our city taxes are really a small portion of the taxes our community pays.

[10:02:25 AM]

Right now as the mayor has been emphasizing right a lot lately, we're paying a lot of taxes for property tax to fund schools outside of Austin, equal amount to what we're paying in city taxes. So when that was presented to people, how did you navigate that challenge of our reality with respect to our taxes?

>> The question is that people are asked to rate the value of the taxes that they get from the city locally. And there's going to be a lot of factors that go into that. School district is a completely separate entity, but a significant portion of the property taxes and things go to the school district. That can often times hurt a city's perception because at the end of the day most people aren't familiar with exactly what they pay. So that does -- so there are going to be other factors that influence that. One of the things we're looking at is how does it change over time. In other words, the perception that the city is doing better and you're understanding the concerns that the public has, that should see a positive improvement. We did see a slight increase in year in perception or satisfaction with the value for taxes. Hopefully that will go up as some of the other concerns that residents have are addressed in the future.

>> Alter: That might be true except for fact that the state property tax is going up and up and up and becoming a larger portion of our taxes at the same time. The fact that we went up is quite remarkable because they jumped such an enormous amount.

>> I'm not always aware of all the other factors going on, but if your state property taxes are going up, the perceptions of city value is also going up when it should go down. That means you're significantly offsetting what should be causing people to be more negative on their taxes.

>> And just to be clear I'm talking about a tax that looks like it's going our school district that's really going to our state. So if anyone is watching and trying to figure out what I'm talking about, it's the school

tax on that. Do we ask anything when we ask that question to qualify it just the way that councilmember kitchen asked for the major city streets.

[10:04:26 AM]

>> The question reads overall value that you receive for your city tax dollars and fees. So city is the qualifier there. But we can look at options for us to better clarify that in the next survey, when it goes out.

>> And in the future surveys we've had some communities in Kansas that have been affected by similar issues so they're breaking the questions down at different levels so that way as they trend into the future they can actually see perceptions of state as compared to perceptions of local taxes and that may be one of the things that we could suggest for next year's survey.

>> Alter: Yeah. I called it a state tax, but it's not -- not really.

>> Mayor Adler: So the moment doesn't pass, and I recognize that we're going to be talking about how this question was answered in different areas around the city, but to have a 25% above national average finding for satisfaction with customer service, I mean, you show up at the job one week and suddenly we're 25% ahead.

[Laughter] Just amazing. But just to give a shout-out to the city staff. That's just an incredibly strong number. Mr. Flannigan.

>> Flannigan: You were reading the two traffic questions that councilmember kitchen asked you to read, did you say that you included Parmer as a city street?

>> As a major city street.

>> Flannigan: It is not. It is a highway like 360.

>> I will confirm because these were -- these were created in collaboration with APD so we'll make sure that go back to them.

>> Flannigan: That's a big issue in my district because it is a road that I can't fix through the city that my constituents are very frustrated about, and we actually put 17 million in our bond. And txdot should know that is not a road we can fix on our road. That's one thing. Second thing is I'm really glad to hear your explanation about the difference between the homeowners and the renters and that you did the analysis that their responses weren't significantly different, but more importantly it's great to know that there was a policy choice made that resulted in that outcome.

[10:06:36 AM]

That there was a decision about balancing the age brackets and then that had the affect on the other categories. That makes so much sense. And even if I don't particularly like that, at least it wasn't an accident. And I really appreciate that. And if I had been given that answer last year then I wouldn't have been so frustrated. So thank you.

>> Houston: Mayor, could I ask about the same question? Could you name the streets again. You were going fast too.

>> So the major highways is -- includes 35, mopac, 183, 360, 71. And for major city streets that includes congress, Lamar, south first, burnet, Parmer, which we will resolve, and Riverside.

>> Houston: So there are absolutely no east-west streets on your list.

>> I do remember when we were looking through these streets -- Riverside is east-west.

>> Houston: Well, southeast-west, but other parts of the area that were -- it's predominantly the usual streets that you look at. And there's congestion in other areas on mlk, lots of congestion. The only place you can go east to west is 969 and then it turns into mlk. So there's got to be a balance of what you're looking at. Riverside is one, but also 969 is the only thing -- and 290 is not a city street, but mlk spot it becomes a city street.

>> If I can add, Robert Goode, assistant city manager. We weren't trying to list all the roadways, we were trying to give the respondents an idea of major facilities, mopac versus the city. That's what we were really doing. Here not gathering data for each specific roadway. >>

>> Houston: I understand that, Mr. Goode, but when there's no streets in their area, they don't -- they don't drive on mopac, they don't drive on Riverside, Lamar.

[10:08:49 AM]

Those aren't options to even respond to. This is one kind of thing that people can respond to.

>> Sure.

>> Mayor Adler: Anything else? Did you want to talk?

>> Troxclair: I think councilmember alter tried to clarify it, but I want to make sure that we're really clear that there is not -- there is no state property tax. I know there's a term that the mayor used last week and I had some people who were really confused by it. And taxes are really crouse R. Confusing name. There is no statistic property taxes. I think he's talking about the -- and councilmember alter were talking about the Austin ISD taxes. Thanks.

>> Mayor Adler: Okay. Go ahead and proceed. Thank you.

>> So -- so before we do the demonstration, and this actually -- this last side speaks to a weigh councilmember kitchen noted. I wanted to note a few next steps that we will be pursuing. First off the application of the dashboard and the gis analytics which we're about to demonstrate. By using the

dashboard capabilities and the gis capabilities, we're able to really improve assessment of trends, demographic breakdowns, satisfaction, dissatisfaction in relation to location of the actual response versus the various related facilities. We'll also begin commencing discussions regarding the logistics for conducting focus groups around certain service areas. One of the questions on the surveys is whether or not you would -- you're open to follow-up questions. And so we want to take advantage of those who have said they will. And look at how we can engage them further. And then finally, as asked by councilmember kitchen, we will be for the 2018 survey redesigning it to ensure that it's in a full alignment with the strategic outcomes. One of those steps also includes incorporating a number of proposed new questions.

[10:10:55 AM]

As you'll recall that amongst the various metrics for the outcomes, there were a number of new questions proposed. So we will have to figure out how to work all these things in. Also balancing the length of the survey, like Chris noted. Because there's a certain challenge of how long it is and how much time it takes folks to answer the survey. So we want to make sure that we're getting quality survey responses, but also covering the variety of topics and questions that have been put forth. So with that I'm going to actually turn it over to one of my team who I sever refer to as my data unicorn. Her skill set is fantastic when it comes to the analytics. So she's going to demonstrate the dashboard you see on the screen in front of you as well as the gis factors that we've created.

>> Good morning, mayor, city manager and council. I'm going to talk very high level about the business intelligence dashboard that has been created and I'll bounce back and forth between that and the gis information and give a couple of examples and then open it up for questions. Just so orient you as to what you're seeing right now, this is the community survey three-year comparison. And I apologize for it being so small.

>> Mayor Adler: I can read it really well.

[Laughter]. Just saying...

>> Great.

>> Flannigan: Is it possible to pull it up on our laptops right here, are these public links?

>> It is not. Right now they're internal, but after this discussion I can grant permissions for internal access. So over here to the left you will see a series of drop down menus that allow the user to drop down into specifics for the data. So if you want to see specifically what's going on in your council district you have the opportunity to just click and on the bottom the tables will adjust accordingly. And so we do have an option here for strategic priorities.

[10:12:58 AM]

Some of the questions did align well with the strategic priority. We also have primary and secondary categories. You can search by complete question and you can do a breakdown by race, ethnicity, age, income, owner versus renter, gender and as councilmember Garza had asked, number of children. So the table below shows the city as a whole, and this is a table that shows levels of dissatisfaction and it's provided for '15, '16 and '17 along with a spark line that shows the trends. And then to the right of that is the -- to the right of that is a percentage of change from '16 to '15 and the percentage of change from '17 to '16. So the neat thing about this table is you have the ability to sort based on highest levels of dissatisfaction and you can also sort based on largest percentages of change. So when you sort on the largest percentage of change between '17 and '16, the question of affordability for low and moderate income families has addressed from previous years by about 4.9%. So when you look at that information by district, and you can do a sort here -- let me go ahead and -- so availability for affordable housing. You can see that district 4 experienced the highest levels of dissatisfaction last year at 77.3% followed by district 5 at 72.3%. When you look at this information by race, you can see that African-Americans indicated the highest level of dissatisfaction at 74.1%. So when you go over to the gis side of things, this table or this map shows the satisfaction by responses for individuals on the left and the dissatisfaction on the right.

[10:15:11 AM]

So I will go ahead and I'll just turn off that layer. So the survey was done only for full purpose so I'm just turning on that full purpose layer so we have that outline. And here you can see all of the people who answered the affordable housing who were satisfied compared to the folks who were dissatisfied. So when you unclick that and look specifically at which African-Americans stated that they were dissatisfied, you can see particular clusters right over here and you have the ability to zoom in. Just so you know, there are to the block level so you cannot identify participants by address. So you can see pocket that exist in certain areas. You can also toggle back and forth and look at other selectors, for example, American Indian, asian-pacific islanders, caucasian and hispanic. So what this information shows is it helps inform us as to what pockets are experiencing highest levels of dissatisfaction or satisfaction, particularly with affordable housing. So let me go ahead and clear that out. Another question that was really interesting was this idea of pedestrian accessibility. So if we look at the city as a whole -- I'm only focusing on dissatisfaction. We can also do the same thing with satisfaction as well. I'm just trying to do a high level and show the value of being able to dig in so we can be proactive in our efforts to improve the survey results. When we look at pedestrian accessibility, it didn't really change a whole lot from last year. 29.1% of folks are dissatisfied, but the interesting thing is when you go back over to the mapping side and you town the areas that are dissatisfied with pedestrian accessibility, I went ahead and pulled in the city of Austin sidewalk network.

[10:17:33 AM]

And so what you can see, and I just did the search based on sidewalks that are absent, so it's these black lines that are forming, and I know it looks a little bit weird on the screen. But here you can see high levels - - let me turn that off really quickly. Pockets of individuals that said that pedestrian accessibility is dissatisfactory compared to areas that are experiencing absent sidewalks. And you can see specifically which areas are experiencing absent sidewalks. So the last point that I'm going to make has to deal with the children question, and particularly the quality and affordable childcare. So this question was actually new to the survey. This was the first year that we had asked about 55.5% of individuals who answered were dissatisfied with childcare. We actually have the option to drill down of those individuals who were dissatisfied, how many of them actually had children. And so if you highlight you see that it goes up to 60% of people dissatisfied with children as compared to people who said that they did not have children at 47.5%. And so if you look at that information as well by income for the city of Austin you can see the highest demographic group is at 42-59,000 income bracket. So that middle income bracket is experiencing the highest level of dissatisfaction. So when you go back to the map -- let me go ahead and turn this one on as well.

[10:19:36 AM]

These are the areas where people have said that they're experiencing dissatisfaction, which looks pretty evenly distributed throughout the city. But the cool thing is we also have the ability to pull in this layer, which is the 2017 U.S.A. Childcare spending layer. And this is a layer that actually maintains. And what it allows is it allows to you drill down even further. So you see the high levels of dissatisfaction kind of occur evenly through the west and east of Austin. But if you click on the polygon that is behind or the census tract, it actually provides information as to the average -- so what it is is this is the block group and it's broken down by cost of spending. So let me just zoom in a little bit further. And what it shows -- it shows higher levels or that darker purple and the lighter purple is lower spending. So the darker purple for example shows on average within the census tract \$1,203 is spent on childcare per household in this area compared to the national average, which is 479. Per month. And if you go over to the lighter purple side -- it's zooming in.

[10:21:49 AM]

But the mouse is stuck.

>> Alter: Is that the amount regardless of how many kids are in the area?

>> Yes. That's the on average amount. So we have actually met with Austin public health about this information and one of the limitations about this data is it doesn't necessarily separate between out-of-pocket expenses versus any other additional income that is potentially coming in. So it's just taking on average what is spent on household income -- what is spent on academic, but it's not actually breaking it out as to who the burden of cost is falling upon or how many children are actually in there.

>> Pool: I'm curious because I paid for academic even though it was a -- I paid for childcare even though it was small, I earned a lot less, most people did back then. My daughter is 30. Is there a way to know in present value what I paid per month and how that translates today? Because I'm wondering -- I understand that everything has gone up. Cost of college is going to be more expensive for the parents whose children are in academic than it was today for when my daughter went to college. I completely get that. But everything else is also -- all of that is all changing. A basket of goods is increasing in price. Do we have a way to level set that to give some foot holds for people who are older so that they can also appreciate what the burden is on parents who have young families.

>> That kind of analysis is something that we would be working with public health specifically on to see what data is available in terms of trying to cost increase over years. This particular layer does not have that information, but that is something that we work with to see if we -- we would love to see how we could integrate those too.

[10:23:57 AM]

>> Pool: That can also go to answer the question has childcare always been one of the most -- the most expensive costs for a family? I remember it was for me. But it wouldn't have been when I was a child. It wouldn't have been likely to happen, but it's part of more what every family does these days so I'm curious to know that as well.

>> I wanted to add when you provide the budget forecast I believe the second -- the highest cost for families I thought -- you had provided last year and it's housing is number one and childcare is number two, so that's another way to do the analysis. Has it always been number two?

>> Or transportation for example as number two.

>> Troxclair: That's really cool data, thank you. You will send us a link or something?

>> Yes. What I can go ahead and do is give you permissions for the application as well as the arc gis online. And if anyone else on your staff needs your permissions as well I would just need a list of names.

>> We'll work with each of your offices to gather that information. If gis isn't something that's used as frequently in your office we can also arrange for like a group -- like a training session on how to navigate through it so everybody is able to use it similarly.

>> Troxclair: Thanks. And when we're talking about affordable housing, I guess in --

>> Garza: When we're talking about the survey as well as in this data, is that government subsidized housing or just housing that people consider to be affordable and is there a distinction made when Laura asked about that question?

>> There isn't a distinction between subsidized, incentivized. It's just generally affordable housing.

[10:25:57 AM]



The question in terms of affordability for access is access to affordable quality housing, but then we also have for the questions specifically to affordable housing -- let me find it really quickly. Availability of affordable housing for low/moderate income families. So that -- you could interpret that potentially to have subsidized aspects to it, but it doesn't specifically note that.

>> So generally.

>> It's just general access to affordable housing.

>> Garza: So you think your housing is affordable?

>> Mayor Adler: So by saying that you're giving us permission you will give us so we have authorized use for it? Is this not something that can be public facing?

>> It's a network situation. There are security aspects in there. We're not able to put it outward facing necessarily.

>> I suspect it's also a licensing issue, a click-view application and we have a certain number of licenses to extend to users. We are extremely excited about it, though. Chris mentioned that in a lot of communities you do the survey, you get the annual report and you're either happy or sad about it and then you do it again next year. We've always tried to use this data. We've done some focus groups in the past to better understand the results of the data and we've worked with departments to incorporate it in business planning, but this is taking it to a whole new level or ability to drill down, analyze, understanding data and make more informed decisions. It's something we're really, really excited about.

>> Mayor Adler: It is so good and so exciting that I anticipate having lots of people asking how they can also get into the data and work through the data to see what correlations they find. I don't know what the answer to that is, but we should probably pause on that to figure out how the -- we make that kind of information sorting available.

>> We also have the available of posting the data to a data portal to make it available.

[10:28:03 AM]

>> Mayor Adler: Okay. That probably would be something we should do, I think.

>> Flannigan: That was going to be my suggestion is even the raw data being available, there's plenty of talented tech folks in this town that would love to these tools given the data underlying T I want to thank you for doing your demo. I have done a few technology demos in my day. It is a nerve-wracking experience and I never had to do one on too. So good job!

[Laughter].

>> Mayor Adler: Ann?

>> Kitchen: Two things. I wanted to ask if you could put me on the list, reach out to my staff to give us a training. That would be helpful. And then because we need you to reach out to us. We're still operating on lower staff so we're running pretty hard. So if you can reach out to us.

>> I'll reach out to every office.

>> Kitchen: Then the second thing I think it would be useful along the lines of what you are saying to add this to the -- I know it's getting to be a long list, but as smart of our smart city roadmap we identified -- we identified functionality that we wanted to use our technology to make available to the public. So I realize it's not available right now for various reasons, but as an aspiration national thing in the future I think this should be identified and there is a running list that our innovations officer and our ctm is working on, on how we can be more user friendly to the community and also there may be-- this may be one of the things that the tech alliance is interested in working with us. They're already working with us on the paper local project so that's the first thing they're doing. But it could be one of the things that they would be interested in stepping in and helping us with. They've offered their services for free basically.

>> Mayor Adler: Cool.

[10:30:06 AM]

Yes?

>> Garza: Last thing, I promise. The questions that were asked in the survey, and I'm sure you probably tried to wordsmith stuff and sorry if I'm being this annoying person. If there's a way to ask the how many kids do you have question more clear, I think that would be really helpful because the question that says how many children if any do you have in your household who use childcare services such as blah, blah, blah. It might be zero, but if you followed it up with how many use this if it was affordable I think you would have a different set of numbers. There's just a way to ask how many kids do you have to get clearer data. I think that would be great. Thanks.

>> Mayor Adler: I think those are all the questions

[inaudible].

>> Thank you, everyone.

>> Houston: And mayor, just a comment to the presenter. Thank you so much for being here. And you have some really cool Santa Claus socks on.

[Laughter].

>> All right. So we're going to transition now from talking about our community survey to continuing our conversation about our strategic outcomes and how our budget aligns to those outcomes. We're going to start with economic opportunity and affordability, but before we did it's been a couple of weeks since we did this last and I want to maybe reset what we're going to be doing, why we're doing it and kind of what we're hoping to hear from council as we go through the rest of today's work session. So first of all,

in terms of what we're doing, we've got four aspects to each of these presentations. How much are we currently spending in our fiscal year '18 budget that council approved back in September, how much are we currently investing in each of the outcome areas. So that's question one we're trying to answer. The second question is how well are we performing?

[10:32:08 AM]

What kinds of returns on investments are we getting for those dollars and using really for the first time the strategic measures that council has identified through the strategic plan. And some of the outcomes you're seeing -- you're going to see today we have a lot of data on those aspects. We're trying to narrow it down to a handful. So we're not planning on presenting you all the data we have for all the metrics, but we're trying to give you a flavor of some of the data we have and how well we're performing. And also to give you some interesting -- hopefully interesting segmentation results. The third question is looking at where have our recent investments been? So 10-1 council has been here for three years and you all have adopted now three budgets, made a lot of investments. So we want to go back and look to see of the new investments what are some of the highlights that we wanted to bring forward to you in each of the outcome areas. And then finally this idea of continuing conversations that every year there's some conversations that have been happening related to the budget. Some are still out there. They're ongoing conversations. So we're trying to just data those issues in -- daylight those issues in advance of our budget deliberations. One of the main reasons we're doing this is because we are heading towards an April 4th financial forecast and a facilitated priority setting with the city council. So we think it's really important to lay the groundwork of what does your budget look like through the lens of your soon, hopefully soon to be adopted strategic plan, which is on your agenda for tomorrow. And then on the 4th we'll be working with you to better understand your budgetary priorities relative to your strategic plan so we can then develop and deliver to you a budget that aligns with that. Some of the things we're looking for from council today as we go through these presentations is really just get your feedback on the budget alignment to the outcomes. It is not an exact science. Reasonable people could think that this program really aligns better with this outcome or this outcome. So as we go through this we are really seeking your input if you see anything that seems a little bit strange about the alignment, we'd be happy to take your input and make tweaks to it.

[10:34:17 AM]

And then finally, your input on the continuing conversations. We're trying to daylight some of the conversations that we know have happened in recent years that are perhaps still ongoing. We could potentially impact the fiscal year 19 budget, but that list is perhaps not all inclusive. So as we go through this, if you see items that you think need to be addressed as part of our continuing conversations, we would love to hear from those. And again, our idea today is to not dive down into each one of these topics, which maybe a complete separate work session for each one of those topics, but it's to daylight them and to bring forward conversations that perhaps need to happen prior to the budget being

finalized in September of this year. So with that, as a means of background, I'm going to jump right in to our first presentation, which is economic opportunity and affordability. And I'll just say I'm joined again by Diane Siler, who is going to be talking about the alignment aspects, and Greg Canally, who will be getting into some of the performance data and continuing conversations for this outcome. Can you pass down the clicker, Greg? >> So in regards to economic affordability we like to start with pictures on the screen. Pictures are worth a thousand words and these are the types of services the city is providing that we felt aligned well with the economic opportunity and affordability outcome, which is defined as being those things that have -- having economic opportunities and resources that enable us to thrive in our community. So redevelopment services, our convention center is a big aspect of this outcome, services for the homeless in regards to affordability, our small business programs, customer assistance programs offered through Austin Energy and Austin Water, weatherization programs, green energy initiatives fell into this category under the affordability side.

[10:36:18 AM]

Affordable housing, planning and zoning activities. Of course, imagine Austin fits well into this outcome. So these are some of the budget expenses that you will see aligning to economic opportunity and affordability. The guideposts here for when we're doing this alignment and we're trying to make decisions about which programs, which activities best align to this outcome, we're really using the indicators you identified during the strategic planning process, but really the metrics underneath these indicators. You can see up here on the screen that the indicator categories, the metric categories were employment, income equality, cost of living compared to income, housing, homelessness, the skills and capability of our community workforce and finally economic mobility. Lots of metrics in this area. We do have an appendix at the end that lists what all these 40 metrics are and where we currently are in the data collection process, whether we have data for these measures or not. Just a high level picture and just to remind you that the smaller pie chart over on the right is showing you relative to the entire budget and the six outcomes how much comes to economic opportunity and affordability. The answer there is 15%, which equates to \$421.8 million. This is mostly -- this outcome is mostly coming from enterprise departments with Austin Energy being a big part of it as well as the Austin Convention Center. Economic development represents nine percent of this outcome and then that other category I always like to just kind of highlight what some of the big departments are in there, but it's a lot of departments. Public health, neighborhood housing and financial services being three of the primary departments that make up that other chunk. I'm going to pass it over to Diane now and she will get into some of the details of what that budget alignment looks like.

>> Diane Siler, department budget officer.

[10:38:22 AM]

Austin energy met nearly 30% of its budget to economic opportunity and affordability, I think illustrating the focus of the outcome to the utility. Through its energy market operations that engages in the daily management of market operations and fuel supply management to keep the rates as low as possible for Austin energy customers. They provide billing and energy efficiency assistance for customers struggling with their energy bills. They maintain a reliable fuel supply which allows ae to minimize the fluctuations in fuel costs, also keeping costs low for customers. And their multi-family rebates and weatherization programs help reduce the demand for electricity, keeping electricity bills low again. Moving on to the convention center, it is aligned 100% with economic opportunity and affordability due to the nature of its business. The core activities of economic development are included in this outcome, and those are shown on the slide, on this slide. As a reminder, 20% -- the other spent% of economic development was -- 20% of economic development was included in culture and lifelong learning for its cultural arts, music and entertainment activities. Likewise, 70% of smbr is included in economic opportunity and affordability for the work it does with small minority owned and disadvantaged businesses, ensuring that they have procurement opportunities with the city of Austin. More than 25% of the health department is aligned with economic opportunity and affordability for the work it does with childcare program providers, homeless services, workforce development services, and for the essential services it provides to low income persons from -- at neighborhood centers. All of neighborhood housing is aligned to this outcome reflecting its mission to provide the housing and community development services to residents, enabling them to live in liveable neighborhoods and increase their opportunities for self-sufficiency.

[10:40:38 AM]

So airport, property management activity, the portion of Austin's water rebate and conservation programs and 50% of telecommunications, regulatory affairs and business administration finish up the programs that are aligned into this outcome. Northward in regards to the outcome by funding source, the utilities as Ed said, constitute approximately two-thirds of the outcome. The other enterprise funds make up another quarter. Despite neighborhood housing being 100% aligned to this activity, general fund is six and a half percent and then the final two percent of the outcome is for the sports services funds.

-- Support services funds.

>> I want to remind people because it came up last week when we talk about the general fund and neighborhood housing, this is just general fund costs. So neighborhood housing also gets a lot of federal grants which we're not capturing in this analysis. And we're also not capturing cip funds. This is operating budget dollars, really local operating budget dollars where we're doing the alignment.

>> Thanks, Ed and Diane. As Ed mentioned we have the performance vetted to track against each of the indicator categories and we'll take five slides to highlight some of the indicator categories and there's an addition with the over -- appendix that we're tracking. The first one is tied to our employment. And actually a hard copy has a chart that we've updated for the session here today on unemployment rates. In the hard copy it's really more of a point in time. Unemployment rate we really know that

unemployment rates are much better tracked over time from a trend perspective and so we wanted to show you a five-year trend on that. And that's what you see on this, our unemployment rate now is at 2.8% versus 3.4 a year ago.

[10:42:44 AM]

So certainly coming down. And we want to -- for context we show you how it is against the state of Texas. A subdataset of our unemployment rate is obviously our employment growth rate, the amount of jobs that are getting created each year. So as you can see we've had a good run going back to -- this is quarterly going back to quarterly '15, 2015, and certainly we see some slowing in that growth and I think it's natural coming off the high base of growth years. So the employment has a kind of base core from that metric. Moving on to income and equality, obviously a really key issue that is I think weaved through the economic opportunity and affordability outcome. So we have a slide here, a chart here that we're able to get data on on the number of percentage of residents living below the poverty line. While we have seen some improvement over the last four years and I think a lot of that is in 2012 you would have been coming out of -- this is national -- this is census data information. And so you're coming out of 2012 in -- coming out of the great recession, you will see kind of a bombing out that actually lags from a data perspective, lags where we were in Austin in 2012. So we're seeing some improvements obviously, but I think really for us the focus is on the segmentation of the data, looking at how we're doing along race and age and gender. I think as you can see, the hispanic and African-American, those percentages are much higher than our overall percentages. So again, I think that is why you've seen a lot of our priorities and strategies in this strategic outcome aligned towards those. The next indicator category is cost of living compared to our income. There are multiple ways of looking at this. We do have -- we have mfi data that is in the appendix.

[10:44:48 AM]

We just grabbed this one for today to look at knowing that household costs are really significant part of anyone's household budget. Looking at the percentage of households paying more than 30%, which is typically been a data point that most people gravitate around. Again, somewhat flat again coming back off of I think as we've seen wage growth. And then also, but more importantly looking at the folks that are kind of in an extreme rent where they're paying more than 50% of that. And again, somewhat flat coming down. What's important here is looking at the data subset, looking at we've been able to break this out, the data we can track from renter versus owner-occupied. As you can see on a renter side, the renter -- the rental cohort is a larger -- they're having higher numbers associated with that and I think that is -- that resonates with a lot of the anecdotal information that we hear throughout the community. Moving on to housing as a key indicator, first and foremost the city is in the housing by not only through our affordable housing programs, but also get through our residential review process. This is one of the categories and outcomes that we look at. And our ability to get our residential plan reviews. We know that is a key component sometimes of getting housing and multi-family done. And not unsurprisingly,

we have made a significant increase in that over the last year due to a lot of the investments that we've made and the work that the development services has done to put into that. And the other side of it is looking at a tracking -- tracking and looking at really getting at almost housing supply. This is a data point for imagine and what this is really telling us there's been a lot of absorption as new units as new product is coming on. There's been a lot of absorption, but not enough to sometimes keep up with demand.

[10:46:51 AM]

Another way of looking at this is that inventory sometimes we look the housing inventory that's out in the metropolitan area, currently the inventory, the overheated housing market versus a less heated housing market. So we look at two and a half, going five years, so that comports to a lot of things that beef seen in the housing market. And something we could track. Again, there's other data metrics around housing that are in the metric. I think it key one certainly a focus of conversation we've had for awhile, over the last few years is our homelessness. This first one is the point in time count from echo on homelessness. Talking with acm Hensley recently I know she has been out. There are probably some undercounts that aren't getting included around family and children, as well as some of those folks that are on marginallized that might teeter in and out. This is this is just that the data subset here is sheltered versus unsheltered. I think that leaves us with those five categories. What I'll say again is there is an appendix of all the metrics that kind of broaden this out. Clicker back to Ed.

>> I wanted to talk a little bit about some of the highlights of the new investments over the past three years and our economic opportunity and affordability outcome. Before getting into that again I want to remind everybody that we're not capturing grants here. This is -- these were capturing general fund investments and essentially enterprise operating investments. We're also not capturing cip funds. We're still working on that cip alignment as intensive and exhaustive as the alignment process was for the operating budget, it's literally about five times more for the cip.

[10:48:58 AM]

We have that many. We have about 2,000 operating budget units that we had to drill down into and look about and think on and deliberate on. We have about 10,000 capital budget units. So it's a lot of work, but it is under way and we are going to absolutely have that for you as part of our budget presentation when we bring the new formatted budget forward. It also doesn't include one time funds out of your budget stabilityization reserve fund but that is something that we brought to council. Last meeting we provided you a spreadsheet of these investments out of the budget stable R. Stabilization reserve funds and we worked through that list quickly to show you what that alignment looks like. You should have that in your inbox somewhere if you haven't already seen it. Also a reminder that we're trying to highlight what we characterize as new investments. Wages go up typically every year. Yes, health insurance costs go up typically every year. We may have things like software maintenance contracts where the costs go up more, but it's not really a new investment. It's an existing system or

existing staff and just a cost of those things go up with inflation. So we're really just trying to bring forward highlights of what we consider to be new investment and new services, new programs. So in regards to the general fund investments we had two that we're highlighting. One being the investment in our homeless outreach street team, which of course is designed to help our homeless population. And then the second one is \$176,000 that was included in our planning and zoning department for neighborhood plan process pilot which was really intended to enhance our neighborhood engagement and to allow us to do better engagement for things -- some examples would be our imagine Austin speaker series in the north Austin burnet block events. And our planning department engaging with other stakeholders to improve the public engagement process related to neighborhood plans.

[10:51:05 AM]

This next slide is all about the convention center. We used to have a lot more items on here and it really seemed like just boiling it down to two, the convention center has made some significant investments in improving their technology for their convention Goers, investment in convention center going services, investments in improved and faster wi-fi, things of that nature. Then the number and size of their convention centers has really been growing and so over the last three years council has authorized a little bit more than 46 new positions. Also you've improved additional funds for temporary staff and overtime dollars just to keep pace with that increased conference traffic. Looking at some of the other non-general funds, there was a program related to tenant relocation which is funded out of our Austin code department, which is \$700,000. We put it here as a non-general fund expense because Austin code is providing the funds for that program. Council approved some additional funds. One and a half positions in our youth and family services program, which previously had been in the human resources department. When you approved these funds they were part of the youth and family services, and that allowed them to improve their program. And then finally for the colony park master plan. So that gets us to the final slide where I think we'll go back to Greg and he will a tee up these three continuing conversations.

>> Certainly, thanks, Ed. I think we touched on it going through the performance data. There will certainly be a continuing conversation about homelessness. Sarah will be coming back I think soon to talk about the staff work, looking at the different homeless initiatives. I think embedded in that is funding.

[10:53:06 AM]

I think the idea is as both the plan as well as what's happening with echo come forward and matching up the funding with that funding discussion with that. And I think another key area that's popped out, a continuing conversation is affordable housing, which I would put first and foremost. The bond committee is finishing its work and there will be a discussion on bond election, specifically affordable housing will be a component on that. It was certainly part of the staff recommendation that kicked off



the process. As well as looking at other funding strategies beyond the general fund dollars that are currently spent on affordable housing, looking at other property tax -- property tax funding through value capture such as tifs. And we have been working on that as well. And I think from our conversation yesterday as we look at redevelopment opportunities, how to incorporate affordable housing into many of those redevelopment opportunities. So I think those two issues will be ones that we'll keep talking about over the upcoming months as we go through the forecast and on into budget.

>> Mayor Adler: I appreciate the -- the budget stabilization numbers you gave us too. Can you characterize those or break those out by the same six areas that the other funding is broken out? I think you broke it out by department. Did you also break it up by category?

>> We did. You may have to scroll over on your screen to the -- to your right. You should see the six outcomes.

>> Mayor Adler: Got it. Thank you.

>> This was a spreadsheet that we sent to mayor and council related to how our budget stabilization reserve funds, the expenditures you've made out of those funds over the last three years, how those align to the six outcome areas.

>> Mayor Adler: Okay. That was sent to us on Monday at 10:30. I think. Leslie.

>> Pool: Three quick questions. Slide 9, unemployment. I was just curious.

[10:55:07 AM]

There was a statement -- there was 9.6% unemployment rate around the domain area in district 7. And I was curious, do we have any census tracts in the city that have such a high unemployment rate? Because I know our unemployment is well below three percent so I was curious where that number may have come from?

>> I'm not familiar with --

>> Pool: You guys didn't say it.

>> I'm not familiar where that number came from, but I'm going to -- I'll make a note to look into that for you. I might have to check with our city demographer, Ryan -- demographer, Ryan Robinson. I don't know if we can get that at a census tract level, but we'll look at it. And what was the area?

>> Pool: It was in the domain area around the calla place. It was stated unemployment in that part of town was 9.6% which means that we must have negative unemployment in other parts of town in order for us to get down to 3.4.

>> This is obviously bureau of labor statistics national survey coming from both business -- I don't know that it gets agriculture gated down that that -- aggregated down to that level. The regional unemployment rate it really gets into an msa. We can certainly look into that. I would to reiterate our unemployment rate is currently at 2.8%.

>> Pool: And so this is my point. I don't know how someone could say that it was 9.6 in a particular part of town where I've never seen anything quite that definitive. I think if you could check. I think you will be proving a negative, but that would help me because that statement is out in the public. And you guys did not make it.

[Laughter]. On slide 11 -- and all I wrote from my note was why? And now I'm not really sure what -- owe percentage of households paying more than 30% -- until I can remember what my brilliant question was, we'll put that one aside.

[10:57:15 AM]

And then on slide 12, the 7.7% vacancy rate, which seems to have held pretty flat. That's vacancy. So we have about 30,000 units back in 2016 that were available to be rented, but were not. Is that what that means?

>> Yes. I think it's in that same realm. Other elements to this as well, beyond this rental. There's the supply of housing on single-family as well.

>> Pool: The reason I ask is we continue to hear that with the housing crisis, which I'm not saying we do not have, but we have to put another 168 or 70,000 units on the ground within the next 10 years, which is about 17,000 every year, but I'm wondering how does that then correlate with this 7% vacancy rate for residential units considered vacant? I would like to merge and marry those stats so that we have a really clear picture. When I look at multiple listing, you know, for real estate, they talk about all these new apartments that have just opened, for example. And we've had hundreds, if not thousands of new apartments put on the ground in the last three to five years, but that doesn't -- that reality doesn't seem to be combined with our strategic housing blueprint information. And now this is here and I just want to get a realistic picture of what is really going on.

>> I think there is an opportunity to broaden out because there are -- I think there's multiple market metrics and then metrics looking at affordability around our housing. And I do think there's an opportunity there to blend them and be consistent in how we cross those. Because it is -- perhaps there's some data that is not having the full context to it. I think I think it's a real opportunity.

>> Pool: Otherwise there's a fear factor out there, which is a tremendous motivator which can be used for various agendas and motivators.

[10:59:19 AM]

I want to give the public in Austin the real deal. And if we have a tremendous housing shortage, then we absolutely have to go at it full speed. And I think we do need to go at -- in those areas that are lower cost because the market is driving the cost of the units that are out there. By the same token, if we actually have a vacancy rate that's almost eight percent and that's been holding for some time, that also

has meaning. Don't know what it is exactly. It may be nothing. It may be a blip. But it was enough that you guys felt like you needed to present it to us and bring it to our attention.

>> Some of the stories behind the data are still under development. New data are available to all of us, new ways of looking at things. I would expect it's a similar story to the city's vacancy rate that comes up often that we have 12,000 authorized employees and we run a vacancy rate of 7% to 9% and almost nothing we can do to get it down to 0%. It's a treadmill of attrition and it takes a while to get those positions filled and even though we have a vacancy rate of 7% to 9%, everyone in our department would say they have a staffing shortage. And similar, in a housing market, a big city like the city of Austin where I think we absolutely have a housing shortage, particularly of affordable housing, that's a different story than to say we're ever going to be at 100%. There are, you know, people move, they come to the city. There's going to be units that stay vacant for a while, they need to be cleaned before they can be rerented. A lot of things go into renting a unit, right? Your hotels are never going to be 100% occupied. The occupancy rate will be 80%, 85% might be high for a hotel. We're going to look into that and work on the story but I suspect it's somewhere along those lines.

[11:01:20 AM]

>> Thank you.

>> Mayor Adler: Ms. Houston and then Pam?

>> Houston: Thank you. On slide 10 where we talk about - the percentage of residents living in the poverty level, do we take into account that might be going down because poor people are moving outside of the city?

>> So, again, this is coming from the census bureau survey INH so we can dig into that to see if they're trying to attend to that issue if people are moving out, we can get it down to looking at overall income within the boundaries of the survey area and see if that's shifting but we can get that, councilmember, to see if there's kind of sub data on that to help us understand that question.

>> Houston: Okay, I would appreciate that. This doesn't have to do with general or nongeneral funding, but on 17 where we talk about homelessness and issues, does anybody know the status of -- I think -- was it the Bloomberg foundation gave us some money to do something about homelessness? And I haven't found out who that person is and what they're doing with the funding they received but it had something to do with homelessness. Don't rush.

>> Councilmember Houston, that's Carrie O'Connor. And I will have her do a brief update on the progress of where they are, ask her to do that. And work with my friend here, Mark Washington who oversees that department. And have them provide council -- mayor and council with an update.

>> Houston: Thank you, I'd appreciate that.

[11:03:24 AM]

>> Kitchen: Okay. I have just a few questions. On slide 6, I want to make sure I'm understanding that. Am I reading that right? See, where is slide 6? No, not slide 6, it's slide 8. So of the 6.5%, does that indicate of this subject area, the economic opportunity and the affordability outcome, 6.5% of our funding is going to projects being categorized under that outcome? Is that the way to read that?

>> It says in the budget allocated to this bucket, of that, 6.5% is general funding.

>> Kitchen: Okay. But under it says Austin public health and housing development.

>> Those were the numbers I talked about previously that were directly allocated to economic opportunity and affordability.

>> Kitchen: Okay, this is one of those outcomes, we'll have to think about it more as we get to the budget, this is one of the outcomes that has so many different subject areas under it. So I was originally thinking trying to equate the 6.5 to the percent of funding and housing and homeless and employment and all this under there thinking of how the funds ought to be used in this category. But I'm hearing this is really not going to be the indicator for us. Because we have so much coming out of enterprise funds so this doesn't tell us how much of our budget is going towards this outcome. So, I guess we'll think about that when we get to the budget process?

>> Yeah, we could work on that for you. But I mean the answer is if you look at the budget, if you're talking about the general fund budget, it's a small percentage of the overall general fund budget is coming to this outcome.

[11:05:32 AM]

Again, I would remind folks particularly because of neighborhood housing, the bulk of the operating funds come from federal grants and then the bulk of their overall investments come from voter approved bond programs. Neither are at this 6.9%. In hull you can get to the capital alignment, you can see both sides of the picture. The capital alignment could look very different.

>> Kitchen: That's right. So when when he get to the process that when he talked about in terms of prioritizing with the budget, we'll be looking at both the capital and the -- and then the -- other kind of funding. Do you see where I'm going? I'm trying to -- I'm trying to -- and I'm just flagging this as a potential question at that time. We don't have to answer it right now. But I'm trying to think through how we will work our way through prioritizing our budget for this particular category when so much of this category may not be in line with how we're talking to our budget. Does that make sense?

>> It does. The focal point of trying this is going to be on the general fund. That's where they have the most discretion, the most latitude to move funds around. The prioritization is going to be primarily along how do you think that budget, that general fund pie is being allocated. Do you like the way it's allocated between safety, health, economic opportunity or affordability? But would you like to see the pie slices shift? As we move forward, it will be an interesting conversation with the capital budget as well. To larger extent, the capital expenditures come through the bond programs and the bond

programs you approve, but not the bond programs you already approved. Those are kind of already set through the bond propositions and whatever bond covenants may be out there. But through the future bond programs that you're going to approve, the bond program is being -- currently being considered by a bond task force for fiscal year 2018, I think, having a prioritization exercise along these lines before that bond program gets finalized would be really valuable.

[11:07:42 AM]

>> Kitchen: Okay. My second question is on slide 17, that's just really about chanting conversations. I'm thinking in terms of the conversations about the economic incentives and the changes that we are going to be discussing and considering to our economic incentive program. I think that would fit under this bucket. Would you agree?

>> Agree 100%. There are elements, we're coming back in April. The date is from the follow-up from December. I think some of the buckets is really about the understanding the incentive. Not only to talk about business retention and attraction, but it's also getting to the idea of creative space. So it could be -- the incentive policy itself may end up bridging, I think, in a positive way some of these outcomes.

>> Kitchen: Okay. Okay. Then my last question is just -- let's see, slide 14. I'm just not remembering. The neighborhood plan process pilot. Maybe you could just point me to where I could -- I'm not remembering what that pilot is. So can you help me in terms of just telling me where to look for that?

>> You'll find a discussion of that, I believe, in the fy-18 budget. It could be in the planning and zoning department.

>> Kitchen: That would be great if it's not too much trouble for you.

>> Yeah.

>> Kitchen: Okay.

>> Mayor Adler: Alison?

>> Alter: Thank you. I have a question on page 10 with the data on the poverty level. So during the planning discussion, one of the issues that I brought up is we might see a reduction in the poverty level and it's because of displacement, not just because we've improved anything.

[11:09:48 AM]

So can you help me understand how we're going to get at the question of understanding this trend over time and whether we've actually improved things by reducing the poverty level or if we've displaced the poverty to our neighboring jurisdictions?

>> I think as we talked about this as we crafted this taking the overall strategic plan and outcomes and metrics, the first blush is to look at the metrics that we have available to us. And I think as we grow them and look at trying to expand them and look at data subsets, I think that's exactly what we want to do. This is something that when he eve had. We have this information, I'm going to see where it's tracking from imagine Austin. Our ability how is it for folks leaving the city limits and no longer in the survey. That's the work we need to do. But I think we need to understand it would be valuable to try to tease apart the kind of components of kind of the shift share of how this is happening. Data coming from the census bureau, we're not putting out the surveys ourselves but trying to disaggregate it. We can certainly try to look at that.

>> Okay. I have larger questions about how we're using the metrics because the budget part seems to be talking about the spend and if we're going to get to a point where we're going to prioritize among strategic outcomes. We have targets and we have to be able to see the trends. And I'm not quite seeing how that's if sitting into the process. And I might save up for the end of the three discussions and that I would just foreshadow that there's a piece of this puzzle that I'm not seeing yet and I know we're making this up as we go along by trying to move forward with this, which I appreciate so that's not criticism. But I have to be able to see how we're going to prioritize and we can come back to that later.

[11:12:04 AM]

Today. I asked before to see the enterprise fund and the general fund broken out. And ask to see that in greater detail when we have this dwarfing everything else, it makes it hard to understand what we do have control over with respect to our general fund decisions. So I would want to see the general fund for this cat ghoir of 6.5%. And I believe that count councilmember Houston last time asked that we needed to have dollars spent by each department as well. There's a need to move in the direction of the outcomes. But starting to get worried that we're going to be obscuring our ability to make some decisions without some of that departmental detail and waiting until we get the budget in August to begin to see that may not be the right balance in this -- in this process. At the end of the day, we need to see what we're stopping do do instead because we have these outcomes and strategies. It will be a real high priority how far we move forward in this budget process for it to show us that. I'm not seeing that yet. I know this is an evolving process. But for this to have value, we have to see we stopped doing this and started doing this. And I worry that we're not necessarily having those conversations and I think we need to be able to have those conversations and they can't just be that the city manager's office is having those conversations without us having any input.

>> May I clarify. We were here two weeks ago, we talked about how the general fund broke down. Are you looking for all of that backup detail or is it referring back to the chart that we've given sufficiently.

[11:14:10 AM]

Which one are you looking for?

>> Two parts of that data request. We need to know what's that pie break down for the general fund. But not just the percentages of the general funds, but the dollar amounts by department. And we need that for each of our outcome categories. Because if what we're saying is the thing that we have most control over the general fund, then we need to see that drill-down. While it's useful to build percentages, we need to have the dollar number and those figures and I understand you're going to be providing the fte numbers that I requested in the future. But we need to be able to put all of those pieces together if we're going to get to the point where we're going to say we're putting too much money over here and we should put more money over there, simply talking about it in percentages, or if we don't move anything from the utilities buckets, that's going to be important for that type of movement. Does that clarify?

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

>> Tovo: Just a couple of thoughts, flash points. With regard to the vacancy rate for housing being about the same since 2013, I guess it's also important to note that in the survey we just talked about one of the highest levels of dissatisfaction with how the city is managing growth. So it's important to point that out. Things are consistently the same but the city is not happy with how we're managing growth. That could be interpreted different ways. But it could also be interpreted to discuss how we're managing jobs and job creation.

[11:16:16 AM]

And the low unemployment rate is a good thing, but there constantly needs to be work to make sure that stays low, to make sure that we're still creating jobs. And specifically, creating the types of jobs that help those in need the most that are low entries to barrier -- low barriers to entry. Anyway, I want to make those points.

>> Mayor Adler: Mayor pro tem?

>> Tovo: I had a question. The \$242,000, full participation and the homelessness outreach street team, my assumption is that's just a fraction of the actual cost of staffing that I'm -- because as I recall, the police department was -- was doing this within their existing budget. Ems was doing this within their existing budget. So this is just the portion --

>> The additional funds are added to the budget for that program. We're not capturing here the police department reallocated resources from one area to this area, we didn't capture that.

>> Tovo: Okay. I think it would be helpful to have the detail because there's an interest in potentially having more than one homelessness outreach street team and it would be helpful to know what the full cost of that team are because that would likely be what we would incur were we to expand that program. Then my other question, do you have the detail on the 46 -- almost 47 positions that have been added to the convention center in the last three years, when those were added over the last three years?

>> No, not in the notes I have, I don't have the years for them. But we can provide all of the details about when they were added, what positions they were, and what they were for.

>> Tovo: Thank you.

[11:18:24 AM]

>> Houston: Thank you. Back to page 9, councilmember Garza, poked me to say are these -- you may have said this and I was out. Is this citywide unemployment rates or is this regional?

>> This is in the bureau of labor statistics and it's the -- this is Austin, there's an msa. And this is the city of Austin numbers.

>> Houston: So is it possible that there does not speak to age groups or demographics. There are some age groups in my area that this is double digits. It looks good overall but there are pockets where it does not look good. Can we disaggregate data?

>> We can see where that's available and get that out as well and include it as we've done on the other slides where there's that status upset, we can include that and attach it so it's all together. If it exists.

>> Houston: Thank you.

>> Mayor Adler: This is the statistic that led the conversation on disaggregating because 2.9 looks really good. But we have obviously drafted a lot of the priorities to get to the dising a regaleatied numbers -- disaggregated numbers. Anything else on this? This looks good, thank you very much. Good job.

>> Next, we're going to move on to the mobility discussion. We can squeeze that in before the lunch break now. It's the exact same format we've been using, start off with the pictures of what goes into mobility. So you can see in the pictures, this outcome is about street infrastructure, mobility programs, the works and transportation department, and also our airport operations are the big pieces that fit into the mobility program, which I forgot to mention is getting us where we want to go, when we want to get there, safely, and cost efficiently.

[11:20:42 AM]

Five indicators, consistent efficiency, transportation costs, accessibility to and equity of the multimodal transportation choices, safety -- so we do have a safety outcome, but the safety programs related to transportation were mapped to this outcome because council had a discussion and the decision was made for transportation safety measures to be included in the mobility outcome. And then finally, condition of transportation related infrastructure. Robert's going to mention the same thing I'm sure when he gets to the performance measures. But a lot of this is still in progress and under development awaiting the completion of the strategic mobility plans. We do have some measures in here. We want to reiterate a couple of times in the presentation, these are not necessarily going to be the final measures,



we are just going to have something to bring forward for the conversation today. Big picture, public works, Austin transportation department and aviation are the major components of this outcome, 59% from public works in Austin transportation, 35%, aviation, and in this case, that other piece of the pie that equals 6% is largely related to traffic related activities and dwi enforcement in the Austin police department. And here are the details.

>> The 90% of public works for mobility is the maintain the streets, right of ways, urban trails and crossing guards and child safety as funded through the child safety program and most of the capitals projects mobility costs are included in mobility. Aviation is 70% of their operations to mobility for their airport operations, parking, and facility management activity. The rest of aviation was for their air and fire and rescue and airport security that went into safety and their leases which went into economic opportunity and affordability.

[11:22:57 AM]

Also a portion into government networks for their I.T. And so as I mentioned because the -- because the safety component of mobility is included in this outcome, Austin police department has 2% of their budget being mapped here for half of their dwi enforcement, for the traffic management components, and for the motorcycle patrol through school Zones. So the only component of atd that is not included in mobility are for half of their special events offices, which was in culture and life-long learning and for the air quality program that went into the health and environment app -- outcome. The final 2% of the mobility outcome is comprised of senior transportation services and the trail maintenance, Austin energy's electric vehicles programs and incentives, and dsd's road-related inspections and concrete contract -- concrete testing contracts. So, while this outcome is not the smallest in terms of the budget allocated to it, it does have the fewest number of departments going to it for all of the reasons Ed talked about. We have the three major enterprises that make up 94% of the bucket, the last 6% is for general fund at 5% and Austin energy at just under 1%.

>> We're still developing the the metrics as part of the strategic mobility plan, these are things that we're going to show you we tracked for years and we're going to expect to continue to track those in some form. For example, this will hit the infrastructure condition, this is the street lane miles by classification and we expect to continue to track these as we move forward.

[11:25:01 AM]

This is from the citizen's survey you heard previously, some daunting challenges we have in this community. Both from the regional aspect and the city of Austin's aspect on traffic flow. We continue to track this perception, this rating from our citizens on how they're perceiving the traffic flow on major streets and hopefully you see a minor pickup and we would hope to see this go up in the future is where you all continue to invest, really this is more in the capital side of things than the operating side, you continue to invest in, for example, the 2016 mobility bond as we -- as that comes to fruition, we hope to

move this needle in the right direction. You can see a slight increase -- this is from the citizen's survey, a slight increase in this year and primarily from the investments you authorized in the Austin transportation department for their signal timing program and their smart city side of things from the monarch and their operating system. So we hope to continue to move in this direction, the right direction as well in the near future for the traffic signal timing as well. We expect this would be a metric that we would have in the strategic mobility plan as we move forward. And moving to a more positive side on the airport, the airport tracks the citizen survey, their customer rating two different ways. They have a service quality survey that they have done for years that measures satisfaction for airports across the country and they're typically in the top one or two in the airports of their size. And they really track from their customer's experience in the airport from the excellent standpoint. You can see in 2017, 45% of the folks -- see if that number is right.

[11:27:03 AM]

Can't see it from that, 45% of their customers rate their experiences excellent in the airport. They're very excited with that. You saw a decrease. And the citizen -- the customer experience will be a little bit challenged as Jim mentioned in his presentation that the airport will be under construction for the next 10 years, something will be under way to handle the traffic flow they see. So I was expecting they'll see a little decrease in their surveys, but they've been doing so well over the years, that's going to continue that trend. And again, you saw in the community survey, that's one of the top-rated services that the city provides is the experience at the airport.

>> Just going to continue in to some of the highlights of the new investments in the last three years and the mobility outcome. There's been quite a number of them. We've chosen to kind of categorize them in chunks, first talking about the Austin transportation department and their mobility corridor and arterials program. The city council approved in the last three years, \$4.9 million of one-time funds. We characterized them as one-time funds. But characterize them more for short term. A lot of these are contracts. The strategic mobility plan is one of the contracts we're funding out of these dollars as well as the mobility safety plan. But a lot of it is just staff augmentation. A lot of the mobility programs are behind the curb and have a backlog of work they've been relying on contract work to deal with that backlog and here related to the traffic management center of operations. We have a contract to augment our city staff that work in that area. Seven positions were added for mobility programs, these are specifically related to traffic engineering as well as data collection and analysis for planning purposes.

[11:29:05 AM]

And with regards to our traffic signal system, again, some pretty significant investments there. \$2 million for way finding projects, new traffic signals, we increased staffing by 10 positions in this area. As we add more signals, more maintenance to do. We increased staffing there. Park and management, we added

six positions to enhance the overall parking enforcement as well as 13 positions in the right of way management in the ground transportation activities which is highlighted in the highway management and ground transportation. These are not programs being funded by the transportation utility fee. These are actually being offset by charges for services for the individuals that are using those services. A lot of them are development activities where they need to have -- take an access on the lane in the construction process and they have to set up barricades. We're charging those businesses for those services. So this is not an area that's having an impact on our citizens. And in the category of development, we put \$2.2 million in the budget for engineering and traffic impact analyses. And then \$400,000 for the bike share expansion program, which I believe was specifically related to the -- to the B cycle station expanding and adding more of the stations throughout the city. Moving on to talk about public works. The infrastructure maintenance and capital renewal areas, we added \$3.5 million just for asphalt overlay, bridge maintenance, Ada ramps, just doing more of that type of work. Eight positions were added to address utility cuts to backlogs and \$5 million of one-time funds.

[11:31:11 AM]

I want to highlight that was related to the Austin water utility that had a significant backlog and cuts they're trying to impress. They're working in that area. You need to ramp up will the work the public works department does to go back and repair the streets. A lot of that is done by contract work because we don't anticipate it to be an ongoing situation but it will be there for a couple of years. In regards to capital delivery, we've added 11 positions. As bond programs increased, we needed to ramp up that area of the business. And we created a two-person product systems intelligence office which is really spearheading ways that we can improve our capital delivery system. Last one of these in regards to aviation, I could have put together a long list-of adds to the airport. Everybody who's been out there understands they're rising to new levels. A new historic high, great news for our economy and the tourism industry, but it the us take a lot of staff to run that airport. So they added 88 positions over the last three years to keep pace with not only the growth of the passenger traffic, but all of the growth in the facilities, you know, new terminals, new Gates, new parking structures, new car rental facilities. So there's been a lot of activity out there and we've been adding staff to keep pace with that growth and activity. In this area, we tend not to have conversations because as we look through, it's all through the capital budget. We daylight things that we anticipate are going to be conversations that likely are going to continue to occur as we advance with our development of our fiscal year '19 operating budget.

[11:33:15 AM]

I think there surely will be discussions about mobility as well. But I think those are probably mostly happening on the capital side of business, both related to the 2016 mobility bond as that continues to get implemented and rolled out. But also in regards to the potential 2018 bond that's currently being worked on by your bond election advisory task force. So that brings us to the end of the mobility presentation. And we would be happy to answer questions and have a discussion with you.

>> Just as an observe separation, I think it's interesting that a lot of the categories you had so far, there's data that we've been tracking that goes to the metrics that the council identified in the strategic planning and some data that we identified that we don't have. But in mobility, in the things that rate highest in the -- in the public survey, it's the least amount. I'm excited that we take it up for that because you do best on things that you measure and watch. If you don't measure and watch, it doesn't get the same attention or resources. So I'm excited to see us identify it that way. Ms. Houston, Ms. Pool, councilmember Garza?

>> Houston: I have a question on slide 4 about the the school crossing guards in public works. Is that what this is saying?

>> That is a program that's operated by our public works department.

>> Houston: Okay. That comes out of the enterprise funds? To pay for that? Or the general funds.

>> It's the transportation user fee. We don't use those funds to fund that program.

[11:35:15 AM]

That's funded through state funds. School districts one of the big sources for that program.

>> Houston: We don't use any general funds for the crossing guards to pay for the --

>> For the user fees. Their salaries come from the funds that the state gives us.

>> Yes, and also traffic violations that occur in school Zones, that money flows in that as well. So unless you're speeding in the school zone, you're not paying for the crossing guards.

>> Hold on just a minute. This is an offline push on page 5 regarding the last one, two, three, four -- development services and the egress and ingress of subdivisions to major roadways. That's a conversation that we'll just have because there's so many places have one way in, one way out. We're not even addressing them getting out to a major roadway. So I'm not just highlighting that. And then -- we're doing better about that now. But historically, we didn't do better on that. And on page -- slide 12, parking, right of way management, the sixth position. So is this funded through the enterprise fund, but how much residue does that bring in?

>> So the -- the fees you pay -- so if you're going to go to a parking meter and pay a fee, that goes to run these programs. But the fines, if you let it expire and you get a fine and those flow into the general fund. I would have to check. I would have to get back with you in regards to the amount that that is -- that comes to the general fund.

[11:37:19 AM]

>> Okay. I think that would be helpful because those six positions, I understand people are not paying their fines. And so we're losing money. If I'm wrong, please correct me.

>> These positions are funded by the parking fees, not the fines.

>> Houston: Okay, what are we doing about the parking fees that people are not paying? As far as getting additional revenue.

>> The way we get to pay those fees is to enforce the meters and fine people when they don't have them. So we have them in regards to what they feel their fee recovery is for the meters. In regards to the fines and people who don't fine their -- don't pay their fines, there will be warrants on those people if they don't pay those fines and judicialing action. There are just going to be people who do not pay their fines and we can find out what the success is in collecting those funds.

>> Houston: The only reason I ask that is there are people in the service industry that work downtown. And I have complaints from them because there's not a lot of turnover. People can park for all day and get a \$25 fine. And yet they have no place to park when they go to work down on 6th street or wherever they work. The --

>> That's a good conversation. You are correct. Some people just decide that's a good eight hour -- if I have to pay \$25 or for an eight-hour ticket.

>> Houston: And these are folks who don't have the ability to park where their jobs are because they're low-wage employees.

>> Thanks. I want to refer back to page 13 and the community survey we're talking about when we were talking about satisfaction, dissatisfaction on the major highways and the larger city streets. Another area that could play into the dissatisfaction is when public works or the water utility or transportation department got away or dig up for the utility lines to replace water -- waste water systems or segments, it can take years for those streets to -- for them to be complete and for the streets to come back and actually be paved.

[11:39:38 AM]

And so there are various neighborhoods that live for significantly long periods of time with, you know, one-way street in and lots of mud and all of that. So I'm glad to see -- but we need to do the work. So the question is how quickly are we able to move through to do the work. So I'm glad to see there is some additional -- there are some additional ftes being brought to bear for that issue. And maybe when we get to buttoning up the budget, if you guys could kind of focus on that and make sure that the work crews that we have available to go out and do that work are sufficient to the task so that we can try to reduce the amount of time neighborhoods are inconvenienced because we are doing this major, major work, which we need to do so it's really just them living through it.

>> And that's one of the first things that -- the utility cutback on it. It normally hits on the traffic flow, but we've got really low ratings on the maintenance of streets too. And that will definitely hit on that.

>> And I think some of that may be showing up when we're told we're talking about Lamar, they're thinking about Justin lane or something like that. So -- that's great, thanks.

>> Alison?

>> Thank you. I wanted to pick up on a point that councilman -- with respect to the crossing guards and you responded that that's paid for in part by traffic enforcement and school Zones. Where would we get the data on the trends and that traffic enforcement in school Zones because I hear people complaining all the time that there's no traffic enforcement in school Zones and that they want more crossing guards. So I'm curious how to get that information about the strands, the traffic enforcement in those school Zones if that money is in fact going to the crossing guards and we -- I don't know whether we have a shortage of crossing guards, I just know that people ask for more crossing guards so I would like to be able to dig more into that.

[11:41:47 AM]

More broadly, I'm concerned about the traffic enforcement we saw on the survey, they're concerned about whether traffic enforcement is happening. We lack traffic enforcement. We're putting in speed bumps, people don't like speed bumps, there's a whole knock-on thing that's going on. And on top of it, there are complicated questions with interrelations and justice issues as well, I don't know the answer but I want to highlight that we are losing something like \$2 million of revenue to our municipal court because we're not dealing with the traffic enforcement and that's \$2 million from the general fund that can't be spent elsewhere. And I'm not sure how you get a resolution to this. I understand you don't want to use traffic enforcement for revenue, but there is still, nonetheless, a connection across all of these things and we have set up a system where we're funding our municipal court from our traffic enforcement and if that money is not there, we're spending general fund dollars on that and not on something else that we might care about. I would like to tell them to stop to see if there's a way to figure that out because we might wind up with a more optimal outcome if we can provide that enforcement and have the funds to do a lot more other things and addressing the issue that citizens have raised in the survey that they want more traffic enforcement. There are a bunch of issues that come together there, but I would really like to see if we can come to some direction there. And it's not simply just the matter of we don't have the officers to do it. Even if we don't have the officers, we would have funds to do the officers if we did the traffic enforcement, we wouldn't have to be paying the money to municipal court. So is there's some kind of chicken and egg thing going on here. And I would really welcome some folks who have thought about this issue more than I do to resolve this puzzle.

>> There's a chicken and egg situation.

[11:43:49 AM]

We have seen situations in the last fiscal year or two where APD has had some challenges in recruitment and filling their vacancies and they have less noncommitted time. So when you're choosing between traffic enforcement and rep responding to a true emergency, they're responding to the true emergency. So, we have certainly seen when those police vacancies go up, traffic citations come down and revenues to the general fund through those traffic citations come down. So I mean there's an aspect of this of just the timing of the cadet classes and success and how many qualified do we get to get those positions filled. That's part of keeping the officer surveys and it does impact that dynamic. And we're in a situation where we have 100 and 120 vacancies in the police department at some point in time, there is a good likelihood that there may be less traffic enforcement when those vacancies rise to that level. So it's something we do monitor and I know the police department works to keep their positions filled. In regard to the data on the traffic enforcement school Zones, I think that would be a fascinating question. I don't have it on top of my head, but I'm sure the police department -- we could work with them to get that data. So we'll take that here and pass it on to the police department and get a response back to you.

>> I think that's good continuing conversation on the traffic enforcement. You may recall, don't block the boss campaign. We have a dedicated unit that's helping us with that. A dramatic decrease of people violating that rule. So, again, it's just a staffing thing, it's a great conversation because it is a lot of chicken and the egg. We have more enforcement and less -- less of a traffic issues that would help on the mobility sides.

>> Can you also provide the trends over time on the -- on the more general traffic enforcement, not just the school?

[11:45:53 AM]

>> Yes.

>> Just a thought as we head to the the conversation about the survey and as we're having this conversation, I don't know if city staff has ever done this before, but if there's -- I know it's limited bandwidth everywhere, but if there was an opportunity to do like a follow-up survey. I think it's great that we do those biggest issues and biggest challenges. Those sound like traffic, how we're managing growth. But do it in a way where -- where we're able to educate the public and say, okay, you said that traffic is really bad. Here are ways the city can help that. We could do transit priority lanes, you can get on the bus more. We could do all of these things, which of these would you be willing to do. Turn it around to the JFK -- ask not what your country can do for you or what you can do for your country kind of thing or Jerry Maguire help me help you. Just an opportunity because I think a lot of times there's so much -- there's pushback. People don't understand the relation between I had traffic but you better not put a transit priority lane anywhere near me and how they're so tied together and how -- you know, and that people living closer to transit, would you be willing to pick your apartment based on how close it -- within walking distance it is to transit? It would be great to get that feedback from the community and provide the education point. Here's what you said is not working. Here's what you can do to fix that. This

is how you can help us fix that. Here's what you can maybe do. And I think we can provide those resources. Interesting to know and a good opportunity to educate the public.

>> I agree with that. I think it would be very interesting.

[11:47:54 AM]

We've done once, with my tenure with the city, we did once, we did focus groups to better understand the results of our citizen survey. It's a perception-based survey. It's descriptive, not prescriptive. So, for example, we can look at the survey results and, you know, if you looked at them 5 or 6 years ago, you can find out people were not satisfied with code enforcement efforts. We don't know if they're satisfied because the enforcement efforts are too strict and rigorous or they're not satisfied because they're too lenient or some combination of the both. Focus groups can help us understand that. There's a great example in our parks department that we weren't doing well in terms of public perceptions about safety in our parks. So our focus group question is what is driving that? Help us to understand it. Is it the quality of the playground equipment or there's graffiti on the restrooms and the restrooms are dirty and a public safety presence. What we found out is there was a -- it was a personnel presence but it doesn't necessarily have to be police officers, right? Our consultants did a great job on these focus groups able to drill down with the different focus groups and understand it's not about necessarily having a sworn officer in the park. But just having parks personnel on a bicycle with a first aid kit. That led to the development of the park ranger program. It's been successful. We've seen improvements in that metrics every year since. So it's a bandwidth issue and a cost issue. These things are -- there is a cost of doing them. There's a science to doing them well. But it's a conversation we need to have with our office of performance management and our city manager about, you know, these are some of the areas we really want B to understand better, that's an avenue that we could absolutely pursue.

[11:49:55 AM]

We do engage the community as best we can. Here is what we're going to be doing, the corridor plan, the settings. I get what you're saying. Not the same people. But we are trying to engage the community on here are some of the things we're thinking about doing, what do you think about it?

>> Yes, I would be very supportive of funding necessary to support some kind of focus groups, because, you know, as a cap metro board member, there's a thing we see all the time. This many people -- this is how congested it is if it's one person per one car. This is how it is if you put a bunch of people on a bus. Seeing that image over and over again is educational. But I'm seeing it because I'm a board member. But if the public was able to understand how we can address these issues and that it takes not only a change in city stuff but individual behavior, I think Austin is special in a way that austinites would be willing to help. They just need to know what they can do to help us.



>> If you look at the citizen's survey, if you really want to spend some time, look at the comments section where you say what should you do. There's a lot of information on the transit investment side. You should improve this. That's a lot of detail. Because the survey questions were specific, but then we asked one leading question -- what should we look at? And we got a lot of interesting comments on what to look at as a city. It's a lot of information, but if you -- in your spare time, you can read it.

>> I want to continue the conversation that you had with Leslie pool. On the street repairs, I've noticed I've been getting a lot more calls, a lot of development in my district, tearing up the streets to put their water lines or sewage lines in.

[11:51:55 AM]

And I've been seeing the quality of repairs and they're not city employees. They're doing the work of the contractors. The quality of work has been bad. They leave the streets in -- in really bad conditions. With potholes or bumps. And I wonder how does that affect our budget. Y'all happen to go back out there and take a look at it and you have to contact the contractor, is that causing us any kind of money in doing those kinds of things?

>> The short answer is yes. The street infrastructure just to maintain it without those cuts is a challenge. When you start all of the development and the waterline in our own facilities, when we start cutting the pavement, the worst thing you can do with the pavement is let moisture in the base. So when you start cutting it, what you'll see in the operating side, we need more money, and the capital side, you need more money to maintain this infrastructure. It's deteriorating because of one the traffic and two, the cuts in the pavement.

>> They have to charge a fee when they cut into our streets. Is it sufficient enough to cover that. There has to be some way to say, hey, you can't use this contractor because he does a pretty bad job out there in repairing the streets. It's costing you money, it's costing the city money. Do you keep track of the complaints and go back to these contractors or whoever is -- has responsibility. Is there an application they have to pull out and identify who's doing that?

>> They have to get a permit to do that work.

[11:53:56 AM]

I don't know if we're tracking on the quality of services. That's another continuing conversation we're looking at.

>> Yeah, it would be very interesting to see how -- if there's one company out there that's continuing to do really sloppy work. And just leaving the streets like that where people are just going to tear them up again.

>> Jimmy, then --

>> I'm experiencing the same thing in my district. Itle might be one of the few universal things in every district where you get the roads cut up and then the neighborhoods is following. I want to follow up on the relationship between traffic fines and the ability to put cops out to do traffic enforcement. Has there been a financial analysis of the costs of traffic enforcement related to the fees collected to traffic enforcement?

>> No.

>> I think of some of my neighborhoods to hire off duty city cops to do it. So it's a high cost and not even keeping the fees in the neighborhood. So if you adjust the cost of having the officer out there, plus the costs in the court to adjudicate those, if it doesn't change, I'm curious to see what the numbers look like, the overlay is how does this impact the resolutions on indigent defendants and traffic fines related to low income residents. So I would be reticent to want to see us look at traffic enforcement as a revenue stream, but my instinct is that it isn't now. But I would like to see a little more deeper dive into that analysis.

>> Kitchen: I had a follow-up question to what councilmember Garza was talking about. So on the surveys, if we get the information back, do you know if we're able to identify the people?

[11:55:56 AM]

Or does it come back? In an unidentified way? If we had the resources in the mechanism, can we reach out to the individuals?

>> We do ask the question if the respondent would be willing to participate in the focus group. If they respond, we have the ability to recontact them and use them in a focus group.

>> Kitchen: I'm thinking of something beyond a focus group. I'm thinking of some way -- I'm thinking of different avenues to actually be responsive to them specifically. Particularly if their comments indicate suggestions or concerns and things like that. Again, I know it takes resources and I'm not sure what the order of magnitude it is in terms of talking to who responding to. The best response is the individual saying I see you noted a problem on X, Y, Z street. This is what happened with it. I see you noted you wanted more transit opportunities, here's what we're doing. That's pretty nice feedback to be that direct. But I just don't know what the capabilities are. So I would just encourage you all to look into that. I would also -- I personally would be interested in understanding if it was possible who those folks were in district 5. And if we can get that level of information about the names. And we try to be -- everybody tries to be as responsive as we can, but that might give us that possibility. So I'm just encouraging you to go beyond just exploring focus groups. So I think focus groups are very useful to get that additional level of detail that you described. But I'm also thinking if it's possible to find a way to show that person that we heard what we said.

[11:58:01 AM]

>> We'll get those. Not waiting for this street to be leaving.

>> Kitchen: Right, yeah.

>> So if it's in the near-term projects, the departments look at all of those comments. And then ask, I ask, my departments, where's your action plan to address some of the comments you heard. So we won't respond back to the individual and say we got your concern about X, Y, Z street but we'll go out and do the work to repair that.

>> Kitchen: But could we -- do we have the data to respond? That's my question. Do you know who those folks are? So --

>> I think it's more -- I think it's more --

>> Kitchen: You can answer that offline if you're not sure right now.

>> I think there would be an issue, trying to think through the information that we give to the respondents about their confidentiality. But we could add a check box if you're interested in having the city get back to you on a survey or something like that.

>> Kitchen: Yeah, so it's more than just -- people may not want to participate in a focus group but may appreciate some context. Just think about that.

>> Mayor Adler: Delia.

>> Garza: I could see -- I guess I would be concerned about anonymity. When it anonymous they're willing to be more candid. And it's such a long survey, if I filled out a long survey and I got followed up, I would be like, gosh, I filled out your survey. What else do you want?

>> Kitchen: Yes, but if I raised a question and it just went out and -- if I said this is a problem on my street and I never heard anything back. So if we give them an opportunity to check off and say that they want --

>> Garza: If they want. I just wouldn't want us to be able to --

>> I agree. I would want to add that check box. I can tell you from the community engagement task force one of the things we've learned is that closing that loop is something we need to improve on.

[12:00:02 PM]

So I think it's a good idea.

>> Garza: And I guess naturally people who are -- people who would really appreciate that kind of feedback are also the people that will pick up the phone and call. Anyway, I would -- I'd be concerned about anonymity and I think it's great the question do you want to be in the focus great. That's great and they would have the opportunity as well.

>> Kitchen: I have experienced people who don't understand that -- that don't feel empowered to pick up the phone and call or don't really understand that they can ask for that help. I agree with everything you're saying in terms of letting people keep it anonymous, but just giving them the opportunity --

>> Mayor Adler: Sounds like people like the option of putting in a check box, some way for people to be able to do that. Alison?

>> Alter: I wanted to raise an issue of coordination. I don't know how this exactly fits in budget, but one of the things that we've been experiencing is that they come in and they do an Austin water project and necessarily do it right after -- they do it right after a road has come in and put in a roundabout. And they cut up the roundabout and cut up the street and it takes like three years to get put back together. But nobody coordinated doing the Austin water project before they did the roundabout. And I know there's been discussions about that with respect to mobility bond, but I'm wondering how much we would save if we had a better coordination system.

>> We're working on that. We have room for improvement, but that's been an issue for many years I've been in the public sector is that we have so many different programs and it is hard to coordinate, but that is -- you're spot on, it's what we do work on, sharing workload assets with the utility, especially with the public works department and transportation as well, but there's always room for improvement.

>> Alter: It's not even sharing. They go in and ruin what one group just did.

[12:02:05 PM]

>> The sharing would be if you're beginning to do that, wait until I come and we'll do it together. We're always looking for combining projects, do them at one time, but they don't always -- aren't always successful with that, you're right.

>> Alter: I would be interested in learning more about how you're coordinating those things.

>> Mayor Adler: Okay. Anything else before we break for lunch?

>> If I could correct myself. I proudly said that unless you're speeding in a school zone you're not paying for the crossing guards. I forgot that he did start doing a general fund transfer to our school enforcement program in the wake of implementing the living wage that the additional wages for those crossing guards, we weren't able to -- there wasn't enough funds from the other sources flowing into that fund to apply the living wage to those individuals. So it's about \$830,000 of general fund money that supports the crossing guards currently.

>> Mayor Adler: Okay.

>> Houston: Thank you so much for -- thank you so much for that. My hair is gray and I thought we did, but, you know, I wasn't going to challenge you because you're the budget man.

[Laughter].

>> Kitchen: I'm sorry, Ed. You said that so fast I didn't quite hear. You said we are or aren't paying?

>> We are. Following the implementation of the living wage which we do apply to all of our employees, including crossing guards, we started a general fund support for that program.

>> Kitchen: Okay.

>> \$830,000.

>> Mayor Adler: Council, it is a little after noon. We're going to have one more of these presentations left. No executive session. We're just going to break now for lunch unless you want to continue on with the third presentation now. I'm seeing people want to take a break. Then what time do you want to come back? 12:45, 1:00? All we're doing is eating lunch.

>> Houston: Let's try 12:45 and maybe we'll do it by 1:00.

[Laughter]

>> Mayor Adler: 12:45.

>> Tovo: Are we really going to be back by 12:45, though?

[12:04:06 PM]

>> Mayor Adler: Yes. 12:45.

>> Tovo: Okay.

>> Mayor Adler: All right. It is 12:04 and this meeting is recessed.

>> Kitchen: I may not be able to come back. I thought we could work through it. Clears.

[12:33:07 PM]

Cler

[12:49:30 PM]

>> Mayor Adler: Hi. Are we ready to start with the last one here? It is 12:50. We don't have a quorum yet, but we're going to go ahead and start the briefing on the last of the three sections today. Mr. Van eenoo.

>> All right. So the final one is government that works, which was articulated as believing that city government works effectively and collaboratively for all of us that is equitable, ethical and innovative. There are a lot of things we do in this area, including our 311 system, which interestingly is always one

of the highest -- in terms of customer satisfaction this is one of the areas that the community just loves it. They love the fact that they can call 311 and get answers on just about anything related to city services. So that's part of a government that works, good communications. Court operations. The maintenance of critical infrastructure also fell into the government that works area so you will see a lot of Austin energy and -- and the water utility in here because of that critical infrastructure maintenance capacity as part of maintaining a good government. Our wireless communication system, our employees are obviously a critical part of achieving those customer service rankings and listening to our workforce is an important part of what we do. You will see a number of excellence awards or gfoa certificate achievements and excellence awards related to financial documents. We received the awards for our annual financial report, the car, the transparency in financial reporting. Lots and lots of things we do fit into this category. Moving on and looking at the indicator categories, there were a number of them on this one.

[12:51:31 PM]

Seven. And again, these are the guideposts that we use for determining which services, which expenses in our budget should align to this outcome as opposed to others. And indicator categories were the financial cost and sustainability of the city government. You will see financial metrics in this outcome. The condition quality of city facilities and infrastructure and effective adoption of technology. Satisfaction with city services. Our quality of our employee engagement, stakeholder engagement and participation. Equity was a key part of government that works as was transparency and ethics. So again, those were the guideposts. This is what it ends up looking like with overall 24% of the city's operating budget aligning to the government that works outcome, a total of \$702 million with roughly 63% of it coming from Austin energy and Austin water. And once again, these are large departments with large infrastructures and the maintenance of that critical infrastructure is largely mapping to this outcome. 19% comes from our support service department, so our support service department includes mayor and council, the city clerk, budget office, human resources, all of those support functions. And then the other categories, I don't even list them here because it's almost every other department. This -- I think Diane said in the area of mobility there was actually very few departments that mapped into mobility, largely aviation, public works and transportation. This is an area where almost every department, if not every department, has some portion of their budget mapping to, aligning with the government that works outcome. And here comes the details from Diane.

>> Thanks, Ed. So on this slide and the next slide I'll be covering Austin energy and Austin water. As Ed said, the two utilities make up nearly two-thirds of the government that works allocation. For Austin energy that amounts to 30% of their budget and for Austin water it is 60% of the budget.

[12:53:35 PM]

The primary reason for the large allocation is the maintenance of the city's infrastructure, which is included within this outcome. And the indicator was the condition and quality of the city's facilities and infrastructure. As Ed said, both utilities have expansive systems to maintain and operate. Also included in both departments is the 311 call center which provides information and support to all city residents. And the customer care and billing, which provides customer support for all of the utility customers. Both utilities mapped their governmental affairs activities here since the units in shared compliance with the federal, state, regulatory laws and rules. And they also mapped the corporate management and oversight, which includes the recruitment and retention of high performing workforce into government that works. So for ae specific, they included the system control center, which allows them for the responsible management of their assets and resources. Half of the ercot expenses are mapped here. That's for the recoverable expenses to cover the buildout of the Texas utility grid, which is infrastructure. The risk management activities. And then 25% of their power supply expenses. Moving on to Austin water, we already talked about the first four bullets, but specific to Austin water, half of their collections and distribution engineering and treatment is in government that works. Likewise a portion of their wildlife management and their conservation programs are included here. So of the departments that call support services home, 85% of those budgets have been mapped to government that works. It's easier for me to talk about the exceptions, which include smbr, which is allocated to economic opportunity and affordability. You've got homeland security security, police monitor, and office of medical director, which go into safety.

[12:55:36 PM]

And then the custodial services provided by building maintenance, which is in health and environment. Ctm has got 60% of their budget allocated to government that works in support of the I.T. Infrastructure and applications. The other 40% as a reminder was allocated over to safety for the direct services that they provide to our public safety departments.

>> Alter: I'm sorry, could you repeat one more time were the exceptions. You went through that very quickly.

>> Sure, absolutely. And if you bear with me I'll give you a more extensive list because I was just giving you the highlights. So like I said, building services, custodial is mapped into environmental, health and environment. And likewise they have hazard mitigation, which and building security, which is going into safety. So homeland security, office of the medical director, police monitor, those all mapped into safety, primarily into safety. Not 100%. Laws, civil litigation is in safety. Then we have smbr into economic opportunity and affordability, 70% of that department. Half of sustainability is in economic environment, health and environment. And then Tara's business access credit is in economic opportunity and affordability. But all of the rest of the support services departments have been mapped into government that works.

>> Alter: Is it possible to have that list?

>> Absolutely.

>> Alter: Thank you.

>> So the 10% of public works that is mapped been government that works is to capture the amount of work it does in managing capital projects not related to mobility projects.

[12:57:44 PM]

And development services has mapped 20% of its budget here for the administering of city's kids, engaging stakeholders and -- codes, engaging stakeholders and improving its processes through the use of technology. The rest of dsd was mapped 60% to safety and 20% to health and environment. So ems put the activities related to employee safety, wellness and development, and quality assurance and improvement here. The rest of its budget was split 50/50 between safety and health and environment. Here's the portion of aviation that is related to most of its information technology support. Comes out to about eight percent of aviation's budget. All of planning and zoning is in here except for the historic preservation piece, which was mapped into the culture and lifelong learning. And slightly more than 10% of watershed protection for its intergovernmental compliance planning and watershed modeling and analysis. So rounding out the outcome is Austin public health's office of vital records, municipal courts, civil parking administration. And then the citywide cost drivers such as accrued payroll, worker's comp, bad debt and liability insurance, hence why you will also see all departments being represented in this outcome because each department has a little piece of these cost drivers. So like Ed said, due to the nature of the government that works activity, all departments are represented within the outcome. The utilities, the two utilities comprise 63% of the total and the support services fund is another 20%. The remaining 17% is for all of the other enterprise funds, internal services such as fleet and ctm and then the general fund.

[12:59:49 PM]

..

>> Thank you. Mayor and council, mark Washington, assist Stant city manager, I will take you through a few performance metrics. As Ed said earlier, one of the popular services that we have for our residents is the utilization of 311, and the metric of the number of callers being satisfied when they contact 311 is indicative of the appreciation of the service. At you will see, there is high levels of satisfaction over the past five-years, ranging from 74 to 80%. As we disaggregate the data, there's not significant difference based on race and ethnicity, but as you look at income levels, what you will see is there is lower satisfaction between, among those callers who earn less than \$40,000 a year. And that may be to the very nature of their calls relating to affordability or the cost of the services for which they may be inquiring about. But, again, just the number, the volume of callers that are received is almost million, which is about the size of our



-- the number of residents that we have within the city limits. The next chart highlights residents who report being satisfied or very satisfied with the value they receive from the city, based on taxes and fees. And you will see the -- we highlighted this morning from etc, the level of satisfaction decreasing between 2013 and 2017, and there are varied reasons for the level of satisfaction because of the cost of government increasing so much, but as you will see, as we disaggregate the data, you will see the level of dissatisfaction is even greater with people of color.

[1:01:49 PM]

When you look at race and ethnicity, and again, are those who earn less, the low-income earners, less than \$20,000 a year. The next slide highlights the percentage of employees who feel their ideas and suggestions are valued by the department. This metric is taken from our internal listening to the workforce survey. We have over 4,000 employees who participate in that survey, and if you think about it, that is double the amount of respondents we use for the city wide community survey. What we see is an increasing number, level of employees who feels like their ideas are values, that they're engaged by management. Increasing from 47% to 53%. And, as we disaggregate the data, in terms of the gender identity, there is about a 4% differential between male and female, but what is most interesting is those who don't identify with any gender or gender neutral. And, so, this requires further investigation and we have our new employee affinity group saying that we can use to help us to determine if there is anything significant that would cause that level of differences to be noted. You will also see the difference by tenure. It appears that those employees within their first three-years of employment tend to believe that their ideas are valued more, and then as employees continue to work in the workforce, the longer the tenure, the less they feel like their ideas are valued, and we certainly need to do a good job to make sure we're valuing all employees, regardless of their tenure or their differences. The next slide goes back to a metric from the community survey, based on residents who report being satisfied with the over all quality of city services, and what we see is this downward trend the past couple years, and again, we covered this a little bit this morning, and there's not only the local dissatisfaction by I think across the country there is concern about government in general.

[1:04:12 PM]

But, what is interesting is you see the level of satisfaction based on council say districts to the right -- based on council districts to the right. And we see that, it is as high as -- excuse me, satisfaction levels 57% and as low as 47%, based on council districts. So a 10% variance. And, finally, another metric that references our internal employee workforce, listen to workforce survey, excuse me, this met strategic actually from the -- metric is actually from the community survey about employees who are being reported by citizens as being ethical in the way they conduct business. And we are certainly into ethics and integrity is a major value of our workforce, but as you can see, when we look at some of the disaggregated data, it varies by council district, as low as 53% and as high as 73% so there is a 20%

variance by districts. On the low and high end, and on race. People of color tend to have a perception that employees are not as ethical as people who are not of color.

>> Okay, so taking a look at some of the highlights of our new investments and the government that works outcome, again, the 311 call center, we added funds to that center so this could also provide 24/7 support for the services customers. It was a more cost efficient way for us to get that done. I think a really great highlight is this item of \$2 million of on gone general fund for preventative maintenance at city facilities. More so on nonenterprised apartments, so city hall is a great facility, not all city facilities that our employees work in are nearly this nice.

[1:06:17 PM]

There is a lot of deferred maintenance at city facilities across the landscape, and so \$2 million was a good starting point for starting to address some of that backlog. Looking into some of the nongeneral fund areas, this council stood up a new equity office and has allocated four positions to that office and \$54,000 of on going funds. We are in the middle of a major I.T. Project to relocate the city's data center, which I believe is somewhere in the neighborhood of 20-years old up on the top floor of the walnut creek building. Thus far you've allocated \$3.7 million to that project. Just under a million dollars allocated for a website redesign project. Funds for electronic time keeping. We're excited about that. Council member alter was mentioning we still do paper time sheets in this technologically savvy city, but we will be moving away from that very, very soon, much to the satisfaction of our workforce. Three new positions to implement and monitor the fair chance hiring initiative, and \$1.4 million was added to the budget for our transition to a council, so more council and staff to support the new system. Last slide here, a couple positions added to the budget for our new living wage compliance ordinance related to city contacts. Three city clerks to monitor the campaign finance reporting changes and lobbying registration changes this city council enacted. And the last one up here is three positions, three additional positions related to the mobile bond two in the capital contracting area to make sure we're getting the contract processes in a timely fashion to achieve the aggressive implementation goals for that program.

[1:08:29 PM]

And that takes us to our final slide of today, which is is the continuing conversations here. You going doing handle those?

>> Certainly, competitive pay and benefits is important to maintain a great workforce. I know we've had some discussions over the past year regarding the competitiveness of our public safety employees, but we need to be mindful of the competitiveness of our pay and benefits for nonsworn employees, as well, and especially those who are at the low income level of our workforce. And, so, as we continue to improve our efforts for affordability, not only community but workforce, we're again forecasting, will be forecasting the increase to the living wage for both regular and temporary employees, as well as making

sure that we stay competitive with the rest of the community as they implement the sick leave benefit for their workforce that we provide similar benefits for our own employees who are temporary. It highlighted some of the technology enhancements. I won't go in much detail on that, except to reiterate a conversation that was had earlier this morning, I believe council member kitchen referenced the smart city inventory, and we're going through a process now of looking at all of our needs over the past three-years, and we've had more needs and resources over -- departments have identified over 200 or so possible improvements to technology. We have an ongoing list of smart city opportunities of a hundred or so projects. And we've just started the partnership with the Austin tech alliance to help us in our paperless initiative. So there will be many opportunities, and we will have to go through a prioritization process and determine which of those would be the greatest investment for our workforce.

[1:10:36 PM]

And then, finally, as Ed also alluded to earlier, deferred maintenance. A couple years ago, which identified over \$80 million of deferred maintenance that was needed across the various have a facilities. We have a governance team. The council had a real robust discussion about using city land and facilities for redevelopment for community needs, but because of the growth of our community need for housing, but likewise, as our workforce grows, there are also work place needs. And so want to be mindful of that, as well. With that, I will turn it back over to Ed.

>> That concludes, so we're on to the questions and discussion portion.

>> Okay. Council? Government that works. Alison.

>> Alter: Thank you. Active I right, when we talked about the convention center, we said it was 100% economic affordability so it doesn't have any government that works part of its function?

>> It has a slow little portion that goes government that works, by and large the amount going for the accrued payroll and worker's comp is less than 1%.

>> Alter: Okay. I will need to think about what that might mean more broadly. I wanted to also ask, again, and I think I might have a spread sheet you sent us that provides the underlying data for this, but as I am trying to put all of these pieces together, it would be really helpful to know by department, like, which bucket that department is going into and being able to know go right to that spread sheet and know X department has safety, it has mobility, it has government that works and which pieces are going into that.

[1:12:42 PM]

And, I feel like I have a spread sheet that kind of does that but I don't have the pick toral part of -- pictoral part of that, so if it would be possible, I'm trying to figure out how we make the transition from

the outcome based budgeting and we still have the departments and trying to understand that so I wanted to express that that would be helpful, kind of moving forward. And thing may be a question for Mr. Washington, director Washington. For the time sheets I know we're vetting in getting the time sheets online but there is a whole other human capital management system that's needed, and through my auditing of the audit finance committee, I'm not on it yet, officially, I've seen there are other issue% F we had better data we could track things and know if we're spending appropriately on all-call pay and over time, where the look of the human capital management is in pinging on our -- impinging on our ability to understand and audit and make sure we're spending our money where we say we're spending our money. I wanted to ask you, invite you to speak to that need what it would cost and what we may be able to accomplish if we had that.

>> Thank you for that question. The work on the time sheets will help on the paperless and reduce time inefficiencies and that is somewhat north of a million dollar investment on the interface for kronos, but the larger core system for human capital management, we have estimates from 20 million to 40 million if we're doing on premise solution, 20 million if it were cloudbased, and we're challenged by that because we can't debt fund it.

[1:14:46 PM]

If it is cloudbased through bonds or, you can't issue debt for it. So it definitely would be able to produce our ability to respond to inquiries from citizens, it would help with our business intelligence of analyzing data, making more performance-or rented decisions, and, as well, decreased staff time and resources innning terms of providing information for decision-makers. So this is a step in the right direction but to have the full capital human management like other organizations of our Suze size and other systems.

>> What do we use now, if we don't have electronic time sheets? We don't have a human capital management system that is cloudbased, how are we doing this now?

>> Well, we have functionality through banner, which is our payroll system in which we -- which allows us to do some functionality for workforce management, and we have other disparet type of systems we use and lot of paper processes, so we're putting together a lot of different tools to over see our workforce at this point.

>> Alter: Would it be possible to understand how the other cities, like San Antonio, have funded something on this size? Because it is going to be hard to find \$20 million in one pop, and so I would be curious to know how they're funding their systems and then a second follow-up woulden, does this need to be somehow part of our legislative agenda to find some way for them to allow us, now that we are doing a lot of investments that are cloudbased to provide cities an opportunity to finance those.

[1:16:55 PM]

I don't I don't know, there are probably a lot of minefields I'm walking into with that but it seems the obstacle is the state is saying we're not allowed to do that and maybe the technology has changed enough that we have to think about altering how the state approaches that.

>> I think it merits further exploration.

>> Alter: Thank you.

>> Mayor.

>> Mayor Adler: Yes, Jimmy.

>> Flannigan: Council member alter, can you help me understand what you meant about your convention center question?

>> Alter: From what I saws, as we did the economic and affordability section, 100% went to that bucket, and in my mind, every department should have something that works so I was trying to understand why the convention center didn't, and the answer was it was less than 1% so they counted it 100% under economic opportunity and afford affordability.

>> Flannigan: So let me ask Ed or the staff, are there other areas that have negligible amounts?

>> Most of them do when you look at the government that works, about 63% went for two utilities and another 20% went for support services. Every other department makes up about 17%, so each department has one little budgeting unit and that's where we put in the city wide costs that we talked about and most of those come under 1% of the department. So we round up to 100% saying, by and large, if you're looking at this from the big picture, all of it is here and you've got this little tiny piece.

>> That's what I thought, thanks.

>> Alter: Thank you for clarifying that. This is why I was trying to get that other list from you to try to put the picture together.

[1:18:57 PM]

It was necessarily going after the convention center, just trying to understand how they did the accounting.

>> By the way, for the record, we have a quorum that came in about half hour ago during the presentation. We still have it on the dais now. Yes, Ellen.

>> Troxclair: I'm sorry if this was explained at the beginning, maybe I missed it, the departments when you say Austin energy has 40% of the budget going here did you just ask each individual department to tell you where they thought to look at their budget and tell you what percentages they thought were going in which bucket?

>> Yeah, that is basically what we did. We asked every department to go in and look at each one of their budgeted units, both for operating and capital. Right now we're going over the operating because the

capital is not done yet, so they went in and have the opportunity to allocate no less than 25% to multiple strategic outcomes, and so you could have up to four different strategic outcomes in one budgeted unit. And, so, then that information was vetted through budget office, through the strategic outcome teams and city management and now through you.

>> Troxclair: And so, if we want to know, drill down in and see what is allocated, what is making up that 40% or whatever it is in each, you have that information?

>> Absolutely. I can share that with you if you're interested. It ends up being about, I think last count it was about 2500 rows of data, because not all units are allocated one for one to the different strategic outcomes. Some units are allocated up to four different ones, but we have that information.

>> Troxclair: Okay, thanks.

>> Mayor Adler: Further comments? I want to return to something that Alison raised earlier and had foreshadowed coming up later, which was the level of detail associated with what we're going to be getting when we look at the budget.

[1:21:15 PM]

Because I think that, as a council, we need, at some point, figure out how deep down we go in this process. Are we going to be establishing the strategic areas and then the metrics we want to see movement on and then turning to the manager and saying, your job is now meet those metrics and if you need more resources, tell us. If you're not going to make them, tell us. If you think they are the wrong ones, you can advise us but this is what we hold you accountable for. To what degree do we reach down below that to actual look at the choices in the programs. Do we do that in all areas or do we do that at all? Do we do it on one or two that are of real significant community interest? And this might not be the time to discuss that, but at some point, maybe associated with the strategic planning or the budgeting, I'm not sure which it is, but that's probably, I think, Alison raised a good issue for us to, at some point, discuss. Did you want to say something? Sing I jumped on top of what you said earlier.

>> Alter: Yeah, I would like to better understand, since this is a transition for all of us to outcome-based budgeting and we talked, trying to understand the transition and where we're chiming in on policy and the level of detail and how I'm going to know that you stopped doing something and started doing something. And then we have set the metrics but we haven't set the targets and we don't yet know from the trend lines that we already have whether we're on a trajectory to meet those targets. And in order for this to be successful, we have to be able to do all of those things so that we can prioritize and say this is the target we're trying to meet and we're on trend or not.

[1:23:18 PM]

We can be moving in the right direction and be totally off trend to get somewhere so there is a -- I would welcome some further sense, you know, and maybe I see Steve, the strategic planning facilitators is here or the city manager or you guys focused on this particular aspect of the strategic plan, how do we make that transition and how are we going to get there. Because right now we've identified our metrics but we don't have the targets to do the approach that the mayor was just talking about.

>> Well, I'm going to use some of Steve's language because I think it is good and I know I've heard him say before you have to walk before you run and I would submit at this time we're probably still crawling. This is a major change to how we've done business. You think about the strategic plan has taken us 14-months to get to the strategic plan we have, and it is going to probably take couple budget cycles before we really advance to the level of sophistication you're talking about. But I think getting from walking from crawling to walking may look something like an April 4th priority setting workshop, we ask Steve to come back, he's as intimately familiar as any of with us what is happening with the strategic plan and goals and objectives you've laid out through the strategic plans, he is the ideal person to facilitate that priority setting. But would come away with a clear understanding of the different elements of your strategic plan, how our monies are client aligned, general fund dollars in particular, to your different outcomes. And all those indicators, food insecurity, momentlessness, all of those indicators are important. We look at what are the top priorities for the fiscal '19 budget and beyond, and the staff will have a clear understanding, directionally, at least, of this is the direction that council appears to want to go they want to see less money maybe allocated to this outcome, and more money allocated to these other outcomes and improvements in these specific indicator categories.

[1:25:37 PM]

That is a start, at least, and it gives us the ability to come back to you as staff and we heard you and here is what we're proposing to do as a budget. Part of that could be making less investments in certain areas so we can enhance investments in other areas to achieve the objectives that the priority us that lay out to us on April 4 so that is at least conceptually the idea, that's where we're heading and I don't want to over commit to anybody the level of sophistication that we will be able to chief in our first go around. Steve, you're welcome to come up and chime in to add to this I know you've done this in many other communities throughout the city where all of us, this is our first go at this.

>> I would echo what Ed said, this notion of you are all in the right place in terms of your aspiration. You all, as elected officials say we want to know not only how much money are we asking our communities to invest in city government, but what are we getting for it. And I think, Alison, to your point, you're saying some of these metrics we have trends and we can see how well we're doing, when will we have the notion of seeing how much better are we doing. To Ed's point, part of what we want to do on the 4th is say, what particular areas, and we will use the indicator categories as the best tool to have that conversation in what particular areas do you really want to see improved performance happen as part of the investments you make with the fy-19 budget. I would say there might be a handful of opportunities where you say, as part of this process, to quote, unquote, deep dive, to really understand which exact programs are we going to be -- have we been vetting -- investing in to drive that indicator

and can we do better. To Ed's point about that might be a place where you move out of crawling and start walking in those areas.

[1:27:38 PM]

Probably not running to the point you will have a very clear sense if, if we invest not just \$300,000, we get X level performance, if we invested \$450,000, we get y-level performance, I don't think a lot of the areas you currently have data, you are at that level of sophistication and know what that trade-off would be. To your point, Alison, you made on a couple of occasions is understanding, well, where do we see programs that are simply, we don't have any evidence to suggest whether or not they are way producing data, results that we want. And I think that is a place where having these 2,000 2,000 budget units can start to get you down a place you can start to understand, are those 2,000 budget unit levels, what kind of performance are we getting out of those. I think it will be a continual process of not only when you set the initial budgets are but one of the things Edwards' actually on the hook for, from our contract standpoint is to help the manager and performance management office say what's the on going management service area. You committed, I don't know, could be \$5 million towards improving this indicator, here is how we're doing now six-months into the year or at the end of the year. So again, having that learning cycle. There is a lot of things that can be in play and this notion of trying to focus in on where do you want to deep dive to build that muscle memory around doing that work a good place to start.

>> Alter: I appreciate this clarification but we still don't have the -- we have data on some of the metrics and we haven't seen those metrics, we've seen a few of them through, this but we are saying these are the metrics that matter and we don't have those metrics but we're asked to prioritize without having the metrics or without having a sense of where we should be with those data points, other than the trend direction that we might want to move, like it is probably, you know, not that much more possible for the unemployment rate to go lower.

[1:29:55 PM]

And there's probably the same kind of thing on other metrics. But we're being asked to prioritize but we haven't seen the metrics. We've identify themes but there is a lot of them two measure and they're not being presented to us as of yet to be able to make it. Do you see that?

>> I do see where you're going. I would say even this week some of those metrics were still changing so it is a matter of getting the crawling down and walking solidly without hanging on to the sofa and then running. We're still as an organization familiarizing ourselves with that data and understand it and use those data analytics to the help inform us about how we proceed. But that is the challenge, we don't formally as of today have an adopted strategic plan so we are do the best we can what we have and trying to completely fundamentally shift this budget process, at the same time the council was still developing a strategic plan, trying to fly the plane while you're building it process this budget process



will look and feel differently than the previous three and the presentation will be different. It may not be hundred% where you envision it will be, but it will move in that direction.

>> Alter: The last question, can you explain to us what you need from us for April 4, what we united to be thinking been about to be prepared for the 4th or beyond?

[1:31:57 PM]

>> This is part of it, and we will give you detailed information regarding staffing. But wanting to give you a foundation of how your current budget is lining with your strategic outcomes and where the recent investments have occurred. One of the things we will ask you to do, if you look at the general fund budget that billion-dollar pie and how it is allocated to the six outcomes, at that level, what are your preferences, what are your individual preferences and we need to look at what the body's preferences are in how those billion dollars are being allocated become few exceptions, you have complete control on those general general fund dollars to spend them where you want. You have much mess discretion about the types of programs, but the general fund you have tons of discretion. We need understand if there is a desire to see less money in one owl and more money in another outcome, we would like to understand that in a directional sense but also more tangible which in the past. We've had those conversations in ad hoc ways to improve outcomes bees are so that would be one aspect. The other aspect is just about the size of the pie. It is roughly a billion-dollar pie right now and there's things we can do through the property taxes we set, fines we charge, things we can do to influence the amount of revenue we have to allocate. Again, focusing on the general fund, we're going to want to understand that from council. The final aspect, we thought the right starting point for changing this information was around your 35 indicators, and that is a lot, but, you know, the metrics are 180 and growing, and so we thought the prioritization exercise made most stones do it at the indicator level. Indicator levels are things like indicators of homelessness.

[1:33:59 PM]

Indicators of food security. Those are the ones that are coming to mind, but we have 35 of those and going through process we understand at the end of it, it is pretty clear to us. We might come away saying council says this is how they feel about revenues, they would like to see this shift in how the money is allocated and the indicator areas they really want to see enhances are perhaps homelessness. We can bring those priorities back now a way we haven't been able to do it yet. We're in the process of finalizing this tool to gather pre-information from council about those things. April 4th, we want Steve to come back and do in-person facilitation so we can really come away with the understanding this group, as a body, how you feel about those elements that what he is we have in mind. That's where we're going. I expect in about a week to 10-days in advance, you will get meeting requests from me so I can set down and talk with you in person about how April 4 is going to unfold so you can be as prepared as possible. While I have the mic, the way we're heading is we would like to do the financial forecast in this

room so it can be readily be televised and recorded. So which would be doing kind of the presentation, financial forecasting here, we can break for lunch, lunch in this building, reconvene at the central like to do the facilitated exercise. That's what we're planning for the board. That afternoon facilitated exercise is scheduled from 1 stock 5 sock we have about four-hours to really work with you to -- 1:00 to 5:00 so we have about four hours to really work with you and your priorities. We're really excited about it so we hope you are, too.

[1:36:01 PM]

>> Mayor Adler: That sounds like great plan to me. Diane.

>> I got the answer.

>> Mayor Adler: Leslie.

>> Pool: If we're going to be at the line library for some of this, I'm excited about that found. Sounds terrific. It sounds like you want to shift the allocation of revenues away from being program attic and operational and be up here as a much higher level that we want this amount of money to go to. I may have missed that. I came in late.

>> To start the conversation there. As the end of the day, once the manager presents the budget to you all, you can go whatever level you want. Around people have panicked, I think when they've heard us say this is going to be going, pivoting from a collection of 42 departmental budgets to sort of six outcome budgets. I've people say, wait, we're not going to have departmental budget? We will have department Amal budget. And Alison saying, ask K we see how it is allocated and we will get you the summary level today so that can be shared with you. I think the idea is pivoting where the conversation starts so it is more outcome driven, an understanding of where the priorities you all want to put in terms of which indicators do you really want to see improvement on. You want improvement on every metric, evening those you don't have yet, you want to see them get better. If we want everything to get better, we don't have any sense of priority. At some point there is a trade off. That's what we want to take you through on the 4th, have some degree of consensus amongstst you all that says, of the 35, I'm just going to make number, here are the six.

[1:38:06 PM]

The five or six that we really would like the energy to produce a budget -- like the manager to produce a budget that is evidence-based, innovationtive, accountability driven. You talked about making social services more outcome driven. That might be a part of it. I think the idea is in particular, not exclusively but in particular the areas that the manager would say, I heard your priorities, I have a prired to put more resources and maybe a better combination of resources to get you better outcomes.

>> That is the entry conversation, yes, it is highering, not so much operational and then the city manager, after developing the budget would come back and show us where us saying this at this level has ended up with him choosing with staff these items and how closely did his work and staff's work align with what we were imagining and maybe didn't vocalize.

>> Exactly.

>> Got it.

>> You would still be able to look at the department of xyz and go, hoop, what is going on there. The idea is, please try to make that the second or third conversation and focus first on the outcome piece.

>> And the second and last question that I have, you mentioned, of course, our enterprise departments and how we may want to shift something that happens within them, but we have some -- there are restrictions and limitations on how else we can use that money, which we are all well aware of. But, what if we challenged the city manager and our finance folks to help us find ways that, I'm just saying, just picking, as an example in aviation. We would like to do some additional support for something in the education field or something. Can we toss that your way, within the restrictions and limitations that we have on how we can use revenues in the aviation department, is there a way we can reach that? Can we kind of stretch our creativity in these other ways as we've kind of been stymied in doing that in the past.

[1:40:13 PM]

And I think I know I'm interested in testing those limitations.

>> We are always up to that challenge. I will say that perhaps we might have been a little bit overly creative to some degree in years past and we moved away from some of those creative ideas, I think appropriately so, but we would absolutely sincerely and earnestly look into that. You did bring up aviation and that perhaps wasn't the best example because aviation is the most restrictive source of funds we have. If it is not within the fenced boundaries of the airport, we can't use that. Unless it is related to flying landing planes and airport security, there is no wiggle room in that pot of funds for anything else and yet we've had a really successful internship program.

>> Right.

>> Out at aviation. Which was a melding of education and aviation.

>> Yeah, so interns related to aviation work so there are ways, I don't mean time ply at all there are not - mean to imply there are not ways to implement that, but this terms of wanting to take money from aviation and spend it on economic development or affordable housing programs or other priorities, most of those enterprise funds are restrictive, with the exception of the utilities, this is very open ended.

>> And I hope that that when we do that, we don't encounter difficult resistance we met with last year in trying to change the status quo within statutory permissive areas, but we encountered significant and unfortunate resistance at the staff level that I am probably not alone in hoping is not repeated, ever.

[1:42:15 PM]

And certainly not this year.

>> I hear you.

>> Thank you.

>> Mayor Adler: Ann.

>> Kitchen: I absolutely agree and I can see we can get to a point where we're talking about our priorities in terms of the outcome areas, opposed to being focused on programs. But I think, I don't want to set the expectations that that can happen this time, totally. Because we have, you know, multiple resolutions we've passed in the past that have not yet been funded and they tend to be more programatic because that's the history we're coming out of, I see this more as combination. I want to stay as the higher level in terms of priorities should go in this buck bucket, this bucket and this bucket, but I don't envision being able to do that entirely because of the legacy funding we still want to see funded and a few of them are more program related. Because of that and also because I don't think it gives the city manager or staff as much indication of what our priorities are. And I think the other I think that is really important is trying to align what the council wants to do at the end of the day in terms of policies with -- and be clear for our staff in terms of what pour our policy issues and direction so you don't go back and do a budget and come bang and say that's not what we really meant. Because this is the first time we're doing this. I would like to see priorities in the homeless area, but then I would probably also want to say, to me, based on the understanding I have, I think that that means that we've got to look at, you know, supportive housing, we have to look at this, that and the other or host or whatever.

[1:44:29 PM]

I wouldn't want to stop and say, I want more money to deal with homeless, because that doesn't really reflect where my priorities are, and it also doesn't provide total feedback for the city manager and staff if I don't then say the next level. Because I know that I'm not going to be happy when I come back if there's money for homeless but it doesn't cover those things that I think are important. And, I think that that can change over time, because I do like the idea of just being able to say, get results on this indicator, but we are so new on what those metrics are, we don't have a history of those metrics and some of those metrics are harder to push the needle on that I think this is, this has to be a little bit more of a team work in terms of identifying programs than it might be otherwise or than this might be in the future. So.

>> Mayor.

>> Mayor Adler: Jimmy. Wait. Miss Houston. Lucent go .

>> Go that way, you just turned it back on.

>> Mayor Adler: Okay. Jimmy.

>> Flannigan: I'm excited about getting away from the idea of programmed a atic decision making, because of experiencing it most recently, it felt like own one council member understood the programs so it made it difficult for the rest of us to get on board, there is a long road to go to get to this idealized budget process, and I appreciate that, and it is also important to remember we'll never get there if we don't trust or procurement process family we can have this beautiful but designed budget we get to this high level, move this need nel xyz, and we're presented con tracts to vote on, we'll have missed the period of time at the -- the period at the end of the sentence, I want to highlight how important it is we keep we understand why we keep having these awkward purchasing moments moments.

[1:47:12 PM]

>> Mayor Adler: Mayor pro tem.

>> Tovo: I think of some of the critical needs that have been funded through the process and it would have been hard to get the same, just have the same movement forward had which just identified a priority. I will give you a few examples. Because we're in constant communication with the community and they reach out to bus specific needs, I can think of twice we did fund a flam would have not otherwise -- a program that would not have otherwise come from the staff itself the. One came from the staff themselves, earlier times in the parks and recreation department and was no longer being funded this had . Had the council come together, it would have looked like after school programs in areas experiencing lots of crime so it wouldn't have driven the implementation of an actually program that I think is hitting policy objectives had we just been very general and identified the priority need rather than that specific program. The other is the senior meals program. Community members said we need senior meals program that is culturally sensitive that offers verge vegetarian mealings and what would that priority have looked like? Nutritional needs? Senior programming? It would have been way to -- I'm not sure we ever would have gotten that same knock that same budget year because we asked the questions, are there other areas we need, before we implement a meal at the Asian American resource sen they're serves culturally appropriate foods or other areas there is a need identified and that's when dove springs got funded.

[1:49:24 PM]

They were done in partnership with our staff and park staff but it would have been hard to get those outcomes had we just been talking a very global level in this group as priorities or outcomes we want to achieve. So I am open to the idea that we might some day get to just talking about priorities, but I also

share just some concern that we're going to lose -- that we might lose something there, if that's the only place where our focus is.

>> I think it is an evolution. I don't know if we will ever get there I don't know if that would make sense, never any programatic discussions, but having priority discussions around strategic outcomes and indicators is going to address a lot of those issues. That is not to say there is never the meals their comes up and that needs to be addressed as part of the budget and I don't see why the process can't always still include those things. It is just a matter of, does that become the focal point? Leaving so many of those decisions to the final six-weeks of the budget process. We can understand early in April as part of the regular budget development process we address, I don't know, 70, 80% of the issues up front if we're doing the budget process, and maybe that percent grows over time but there are always things that are addressed and tackled, more of a one-off issue.

>> Mayor Adler: Miss Houston.

>> Thank you. You all have done great work and thank the staff for putting all this effort into it. This is new for everybody, so we're trying to get comfortable with the process. I, for one, think all programs, everything that we do at that lower level need to be looked at, including legacy programs.

[1:51:34 PM]

Because their performance metrics that may have been applicable 30 years ago, when we started providing the funding to those departments or those entities and the world has changed now and those metrics, outcome measures need to be looked at. So I don't think there are any sacred cows as we go through process. Everything should be on the table to be looked at, and if we're going to have a budget that's going to be looking for how we can find additional money, then a is even more so a reason to make sure there is nothing left on the table. I will say it again, I'm looking forward to the process, looking forward to April, hoping we will adopt the strategic plan. Whenever it comes up. Is it tomorrow?

>> Tomorrow.

>> Seems like we've been in this on going council meeting for three-days. I hope that we can get through that so people have a base, a foundation, to say this is where we are, this is what we've all agreed to and this is the direction that we're going to go as we prepare for the budget process. So I'm looking forward to it.

>> Me, too.

>> Mayor Adler: Yes, Pio.

>> Renteria: My biggest concern is that we dedicate funds to, like I'm really concerned about it, like the housing trust fund, some of that money that we collect goes into the general fund. If there is a budget short fall in one of the departments, sometimes we'll just, instead of allocating this money to the trust fund, it gets used for something else to pay, to make up the budget. How would that work in this new plan that we're going through?

>> I think what you're referencing is we have a housing trust fund that gets all of its funding from a property tax revenue that gets allocated to the housing trust fund and we use that for affordable funds and there have been situations in the past where the housing department has staffing needs and funding needs and they're tapping in a 0 those funds for a project, for example.

[1:53:59 PM]

I think one of the things, the ways this program might help us, if we go through it, a clear understanding and clear articulation from council, addressing affordable housing, that is incumbent on staff to look for ways to improve that. If this is one of your top priorities, and I wouldn't be surprised if it is using housing trust fund money to pay for day-to-day operation isn't the best way to achieve those outcomes. So getting that feedback from the council may be the catalyst that is necessary for us to change that in the budget process. Of course that has implications for other things, if we're not funding staff through that mechanism, we need to fund it through other mechanisms and that puts pressure on the general fund. That is one example. But the catalyst for those things would be what the council does to prioritize those indicators and to the extent it is clear homelessness is an issue, that is one thing we could be and should be looking into. There are a lot of other things we should be looking into.

>> I just hope it doesn't get transferred over to some enterprise fund that might be going down.

>> It's never been transferred to another enterprise fund, it has always been used for housing programs but you think the original intent was to be a source of fund for housing projects opposed to staffing day-to-day, on going funding for staffing. There are several funds over the years because there was constraints and pressures on the general fund for other things.

>> Mayor Adler: Yes.

>> Mayor, I was going to say, I don't know if this is part of what you meant, council member, but we haven't and able to fund the affordable housing fund to the level the resolution question.

[1:56:00 PM]

>> That's true. I don't know if that is part of what he was saying but that is true, we have not.

>> That's not --

>> We made significant increase, we have up to what the council resolutions call for. My may Alison. I'm sorry, did you want to say something? Alison.

>> Alter: It was made clear we have a \$13 million obligation to pay for housing at the grove, and that money from the grove last year that was available from the property tax did not stay in the fund and

was reallocated. So there's some issues there in terms of getting the affordable housing built that we expect we're having built, as well.

>> Mayor Adler: Okay. You want to conclude?

>> I just want to thank staff again and thank the council members and may year for this rich discussion we had today and February 21. Bass, for me, as a new manager, this type of die slog so valuable -- day log is so valuable as we talk about how we will create the budget for next year. I want to reiterate, it is not my inthings April 4 is the only chance for this prioritization discussion, we're talking throughout the summer of taking the direction we're providing on the 4th but then really using that as conversation starters that will happen throughout the summer, so it is not that we take the information on the 4th, GE off in we go off in a corner with a budget, it is really an interim process with each of you as which further refine what those priorities from council will be. I'm looking forward to that process, looking forward to the conversation on the 4th and you want to thank everyone from the conversations today.

>> Mayor Adler: That would represent a significant change and one that I think we're all ready to join you in.

[1:58:01 PM]

Thank you. Anything else? That said, it is 2:00 in the afternoon and this meeting is adjourned. Good job. Thank you.

[11:59:32 PM]

>> Mayor Adler: Are we about ready? Let's go ahead and call this in. It's 9:08. It is -- we can receive a report. 9:07, we don't have a quorum. We're going to begin with the report. Today is -- what day is today? March --

>> 7th.

>> Mayor Adler: 7th, Wednesday. March 7th. We'll go ahead and this is for the budget work session. We are in the board and commission room here at city hall.

>> Thank you, mayor, and good morning, mayor and council members, city manager and city attorney. My name is Ed van eenoo, department chief financial officer for the city. We have an all-day budget work session scheduled for you all, and I'll talk a little bit about the timeline for that in a bit, but we really only have two items on the agenda. The first item to present to you, the results of our 2017 community survey, and the second item will be to continue our conversations about our strategic outcome budget alignment exercise that we've been doing, and we have three outcomes for you, economic opportunity and affordability, mobility and finally government that works. And so, you know, all of this and all the work we did back on February 21 is really intended to provide you the background that you're going to need to engage in the budget process leading up to our April 4 financial forecast and



budget priority setting exercise. So in regards to the timeline for today, I would anticipate that the survey and getting through the economic opportunity outcome will probably take up most of the morning. I would expect we would break for lunch and then come back and finish the final two outcomes, mobility and government that works. Depending how things are going, perhaps we might get through two of the outcomes and the survey this morning, but we'll just have to gauge the pace of how things are progressing.

[12:01:39 AM]

I would expect for your own planning purposes that we won't be here till 5:00, given what we saw on February 21, and the amount of time it took for us to get through the outcomes and to respond to your questions and to have good discussion about those things, you know, it wouldn't surprise me if we wrapped up today around 2:00 or 3:00. Some of that will depend on how long you want for lunch, of course. So I say that in advance, that I don't expect we'll be here till 5:00, so unless there's any questions about the day activities I'm going to move on to the survey. So it sounds good? We'll just move on, and I want to introduce to you or reintroduce to you Chris tatham from etc, who for quite a while has been doing a great job for the city in conducting our annual community survey. He's here today to give you an overview of the results, how our citizens perceive city services, how well we're doing as an organization, and then following Christ Kimberly Olivares and Jim Selay from the office of performance management are going to give you some demonstrations about how -- with the things they're doing with this data, some of the data analytics they're bringing to it to help us better understand the survey results, which ultimately lead to us making better decisions as an organization. So Chris, do you want to take it away? You need the clicker? There you go.

>> Mayor, members of the council, it's great to be back. I wasn't here last year so it's been a couple years but I thought I'd really share with you the results of the survey today. It's a chance to figure out what does the average resident think about what we're doing, what their priorities are. And the reason it's important is we did a study just a few years ago and we asked people, how many people had been to a city council meeting or a county commission meeting in the last year, and this was a national study, and we found that a whopping 7% of people said that they had attended. We then did a follow-up question to see if it had really been in the last year and we found out it was really only 3% because many people thought when they went two years ago that was within the last year. We then asked people, well, why did they go to the meetings, and the number one reason was to get an award or see someone get an award.

[12:03:47 AM]

That was number one draw. Number two draw was they didn't like what the city or local government was doing. No. 3 is they wanted to change things to benefit themselves. As a result we found that the typical person who didn't have an agenda doesn't show up, and they just sort of expect services to be

provided, they hope that their elected officials and leaders are prioritizing things the way they want them prioritized but they're off to soccer, they're off to doing the things they have to do day in and day out, so without a tool like this sometimes you'll end up only hearing from people who want you to do things differently than you are, and that isn't always in the best interest of everyone. So a tool like this balances what otherwise is a very important public process where you have the open meetings, but it makes sure that you have an opportunity for the average resident to let you know what they're thinking. So today what I'm going to do is just walk you through. I think some of you are new, just really how the survey was developed, how it's administered, the methodology so you're comfortable with it. I know I leave this afternoon, I get on a plane and I do on to another city. You're the ones who actually use this for decision-making, so I want you to feel comfortable that it really does represent what your residents think, and some of the strengths and weaknesses just in the way we do the sampling. I want to give you the bottom line up front. I used to be a military person years ago so I tend to say -- if you had a big broadcast and you're dozing through the 486 slides I put together, you'll at least remember the key things before we go through it all, and then I'll walk you through those findings. But I think most of you know the reason we do the survey is to really get an objective assessment each year from what the overall attitudes of residents are toward the city, both with regards to service delivery and what they think the priorities are. The surveys were designed, the sampling plan in 2000s. In 2009 is when we finalized the structure we use, this is part of a longitudinal study, so when we do the sampling we're looking at the consistency of this year's sample with previous years so that way if something changes from year to year we can really conclude that it was done based on changes in true perceptions, not changes in differences in sample composition.

[12:05:58 AM]

And I'll explain that in a little more detail. We also run kind of a trend like what the average has been for the last five or six years and so I'll show you how things have changed since 2011 till now and let you see what the priorities are, and it's not a real surprise, traffic flow, I'll just let it out of the bag now, is still a big concern to residents, but we have seen some progress in some key areas, which is really, really good this year. With that said, the survey methodology --

>> Mayor Adler: As you're going through that, we have a quorum now present so I want to announce that, and council member Casar has checked in and he's not feeling well so he's not going to be with us today.

>> Perfect timing. I'll get into the methodology. What our goal is is to make sure we have good data for each of the council districts, so one of the things that we do is we do a random sample of residents by council district but the sample stratified citywide. The goal is to get 200 surveys from each council district so you can see what your constituents see. And the survey these days is done by a combination of mail, phone and the internet. I'm not sure how many of you have actually answered your phone recently but most people don't answer their phone. What's interesting now is because email has become a much better way for people to be connected, we actually purchase email addresses for the households that are randomly selected, so for all the households that are selected for the sample we can get about 60% of the emails for the head of household, and so that's another way that we can

follow up. So if your household is selected we initially mail you a survey and a cover letter. We then follow up with phone calls and emails to that household. What's interesting is now we actually have more inbound calls than we do outbound calls. It used to be we would call people at random, they'd pick up their phone and do a survey. Now what we do is leave a voice message and they call us back. And we offer the survey in multiple languages, particularly Spanish. That's the one that we have the most participation, but we also have mandarin -- or Chinese and Vietnamese and other ones that are available to make sure that the diverse population is captured.

[12:08:02 AM]

These results aren't perfect, but they have an accuracy of about plus or minus 2.1% of the 95% level of confidence, and that just means if we did the survey a hundred times, 95 times out of a hundred you'd get the same results. And I know council member Flannigan, you had a little concern about the renters being represented. What's kind of nice about this is I actually went back and I'm not sure -- I think you're newer to the council, but this was raised as a concern previously because over half of your households are rental properties, and that's a difficult group to capture. So in 2010 we only had 384 respondents to the survey that were renters. You made a decision as a council to expand the survey sample a couple years ago and we've paid more attention to making sure that renters are captured. They only represent about 31% of the sample, but that's 684 renters compared to 350 a few years ago in the sample of 684 renters is actually an extremely large sample for that. In other words, that sample size has an accuracy of plus or mine 3.7% at the 95% level of confidence for renters, and to get it to 3% you'd have to do almost 1100 surveys. And so one of the things that I always take a look at is are there differences between renters and homeowners, and last night when I was looking through the data, the difference between those at least with their overall satisfaction is less than 1%, and that's one of the reasons we haven't weighted the data because our main concern is to focus on the geographic and some of the other demographic factors, but we do provide that data to the council, because I know it's a big issue for this community. So I just wanted to emphasize, that's one of the things I personally care about, and at the end of the day I'm the one who shows up to you and has to tell you, are you really doing better or you're not doing better and I want to make sure we have integrity within the sample so I can make that judgment call. And the nice thing is this year you're definitely doing better. You're making some progress and I'll share that in just a little bit.

>> Mayor Adler: Is this posted anywhere if someone is watching this and wants to pull it up?

[12:10:04 AM]

>> Kimberly, chief performance officer. The report has been posted on-line. The presentation will be -- will be added as backup to today's agenda momentarily.

>> Mayor Adler: Okay. Thank you.

>> As far as some of the demographic compositions, you'll notice here that this shows the differences by income, and you'll see there are a larger percentage of low-income folks in the city that are not represented. The median income in the survey is about the same as the median for the city as a whole. It's a little over 60,000 according to the acs, which is the American community survey from 2016. What you'll notice is if you look for the 50% margin, it's between 50 and 75, if you look at the distribution for this survey compared to the last couple it's pretty consistent. In other words, we're not radically changing the sample from one year to the next. When it comes to the racial distribution, which is something we actually monitor closely during the distribution of survey, you can see within each of the race categories whether it's the whites, hispanics, African Americans, most of those match very closely to the most recent census estimates for the city. And we look at things like -- just as the percentage of hispanics, we actually get a slightly higher percentage of respondents than there are for the acs. We have 37% compared to 35%. And this is one of the key reasons we're a little off on the demographics when it comes to renters, and also the income. A decision we made back in 2009 to make sure you had good data for all age-groups was to essentially make sure that about a fifth of the respondents fell under each of these five age categories, and the reason for that is there's a lot of services you provide that affect seniors. And because this has a very young population we didn't want those to be underrepresented in the survey, because you'll notice about 42% of your sample is 18 to 35, so if we surveyed at that level you'd end up have a small percentage of folks who are over 65.

[12:12:06 AM]

And so by maintaining the systematic distribution for about one-fifth of the respondents in each category each year, your city is able to basically assess the differences in those age-groups. But because of that we tend to have more homeowners, because you're a little older, the younger folks. We also have a little higher income in our samples. Those are the two issues if you're looking at the survey for the first time you might think those are a little bit off but the reason they're off is because this is a longitudinal survey and we're trying to make sure that from each year to year the sample integrity is similar. So if I come back and report that there's a difference from last year to this year, it's truly a difference, not just a change in the sample composition. I hope that makes sense to everyone in the way that we've done this. With that said, I guess the geographic distribution, as I mentioned before, this is just the dot show where people live, and this shows the density of the city's population on the left, and the chart on the right shows where the people responded from, and you can see the density of our sample very closely reflects the distribution on the survey. So all in all one of the things I have to do and I've been doing this for 20-some years and surveyed more than 2,000 communities over that period of time is can I tell that you the results this year are statistically representing the community, and I think we have a very high confidence that they are. So as I discuss changes in what your priorities are in the next few slides I think you can have confidence that this data truly does reflect what people in the community think. So with that said, here's the bottom line up front. If you had a big breakfast this is where I'm going to end up in a little bit, but the first thing is one of the reasons you have a traffic problem is because you get great ratings, a place to live and work. Communities that are desirable have people who come to them. That's not an unusual thing. And so it's kind of the two-sided sword or the fact you're a great place to live and work but that means you'll have people coming here each and every

day so you'll have more people in the community. The other thing that's really great about this year is I've been here -- wasn't here last year but several years leading up to that, I came back to what I felt like was negative news each year.

[12:14:10 AM]

Each year the ratings seemed to be going down a little bit. This year I believe you shifted the course. This year generally across the board results have improved. We've seen significant improvements even in things like public safety, which is one of the areas you're strong in. Those things have improved. So you're to go consolidated that some of the -- congratulated that some of the decisions you've made are turning the ship in the right direction. Another thing I want to commend up front is the customer service that's provided for the city is truly unique. I know we mention that each year, but sometimes when you have everything else going on, you forget just what great employees and processes you have in place. Your customer service rating is 25% above the national average for large cities with over 25 -- 250,000 residents, just really tremendous. When it comes to things that you can do better in, traffic flow, really at the top of the list, infrastructure, planning, things like that, but I think it's going to be a while before your traffic flow issue, if it ever is resolved. Part of it is to keep it from getting worse. That's one of the things I've noticed in communities is people kind of get used to traffic flow. They just don't want it to get worse. So if you make it better that's going to be a great thing. If you can at least keep it where it's at long-term that will have a positive impact on people's perceptions of the city. So that's where I'm going to head as far as our conclusions, but I'll start off first just kind of the general perceptions. I'm going to go into how you compare to others and then talk about the trends as we get a little further along in the data. So first things as I already mentioned is we asked residents to rate things on a scale of 1 to 5. People always wonder, what does neutral mean? Well, no one says neutral. They basically give a rating of 3. And what we found through our research is if somebody gives a rating of 3 on a 5 point scale, they typically think it's okay. They aren't feeling really positive, they aren't negative. It's not a problem, means things are okay so what we do is track the positives, the 4 and 5s, which are exceptionally good experiences.

[12:16:13 AM]

If you're a high performing community you tend to want people to have a good impression, not just think you're doing okay. When you look at these results you'll notice when it comes to a place to live, a place to work, overall quality of life in the city, you can see people get very good ratings. People like to be here. They want to be here. What I want to highlight, though, is if you work your way down, you'll see 20% of residents gave negative ratings for the overall quality of services and that's one in five folks, but for every person who complains, you've got about two and a half who actually feel good about what you're doing. So 50% actually feel good about the overall quality of services, and you're moving in the right direction. We saw a pretty significant improvement there this year. In addition you'll see that the overall value for taxes is pretty much split. You've got a third who feel pretty good about it, about a third

that feel okay, and about a third who would like it to be better. But again you're moving in the right direction there and I'll share in a bit. The one area where you see significant levels of dissatisfaction is with the planning for growth but a lot of that has to do with perceptions of traffic flow. Almost every community where I've surveyed that has concerns there also has concerns about people getting from point A to point B, and they often blame it on planning even if they don't fully understand what planning entails. As far as some of the major categories of city services that were assessed, you notice you've got some that really rate great. You notice that for example public safety, parks and recreation, your airport, wastewater, all of those, animal services, have very little dissatisfaction. In fact, those services you'll see each have at the very top of the list, you have a whole core of services that get 20% or more of your residents giving a rating of 5 on a 5 point scale, and that's what we tend to call having good brand equity. In other words, at the end of the day when people think of those services they tend to have a real positive view. There aren't a lot of people giving negative ratings and as a result when you have a lot of brand equity you can make mistakes in service delivery and people forgive you.

[12:18:13 AM]

So at the end of the day if something happens at the airport, if someone has a bad experience, they're going to think that's atypical because most people feel good about the airport. On the other hand, if you look at the things down at the bottom of the list, the things like traffic flow, people are not forgiving there. There's already very high percentages of negativity, so if one little thing, if a stoplight takes five seconds longer than they're expecting, they automatically think that things are worse than they are. And so as a result you've kind of got two sides of -- got two sides of service delivery. One side, people are very willing to forgive and think things are just great but then you have another set as you work your way down the list that people are going to be much more sensitive to service failures on particularly traffic flows. I drove in today from my hotel, and I'm sure the people around me, when the traffic light didn't change or suddenly there was some construction that wasn't planned, though little things tend to irritate people much more when they're already dissatisfied. You can probably relate that to yourself. If you've been to a restaurant and had bad experiences before waiting and then you show up and it's taking longer than you want, you quickly jump into the position where you're dissatisfied. On the other hand, if you go to a restaurant that you love and they deliver your food a little bit later, you think that it's atypical, and that's what we're kind of seeing with some of these services. One of the things I think is really great is the view that residents have on your employees. Even though there are --

>> Do you want us to ask questions now or wait?

>> Mayor Adler: Let's see if we can go through it.

>> One of the things that's -- the great views of your employees.

>> Mayor Adler: Hang on a second. Ms. Houston?

>> Houston: Thank you. I know you're trying to rush through it but you're talking really fast.

[Laughter] And I didn't want to interrupt you there but since -- interrupt you there but since someone else did.

>> Mayor, I'm flexible, so for you to ask questions, either way, I can go through or come back. So if it's urgent I'd be happy to slow down. When it comes to just the perceptions of your employees, you'll notice that generally very good ratings -- most folks believe that you are an ethical community.

[12:20:17 AM]

You may not always hear that, but for the vast majority of people do believe that, and I think the consistency of the high customer service ratings that you get just reinforce that your residents think highly of the people who work here. And I think that's a real strong position. Not all large cities have that. In fact, many large cities just by default, because they're large and people don't have personal relationships with them, tend to think more negatively of the city employees. So you really have that going for you as a city of your size. The second thing is just the perceptions throughout the city, and for today we created dozens and dozens of maps, so the full report you can actually look for just about any question in the survey and see how people in different districts rated the service. And what we've done is we've essentially shaded where people live by district based on the average rating from that district. And so if you look at the maps, ratings that are satisfied are shaded in blue, ratings that are okay are -- the typical ratings, more in the midrange are an off white, and ratings that are negative or where dissatisfaction exists. This is overall dissatisfaction with city services, you have either blue or off white shades in all districts. So you don't have any district that really feels neglected but there certainly are opportunities to do better moving forward, but all in all most of the ratings are pretty consistent when it comes to the overall perceptions citywide. But when it comes to individual services, that's where if you look at the detail, which I'm not sharing today, you will see some significant differences from one district to another. As far as how you compare to other communities, I think oftentimes we get lost in the fact that we focus on the negative, and that's what sometimes leaders have to do. You get elected to make the community a better place and so you tend to focus on the areas of concern, but I don't want to take away from the fact that this city is doing a lot of things right. In fact, we do a national survey each year of 4,000 residents across the united States.

[12:22:22 AM]

We also have a database that has individual results from a wide range of communities, both nationally and also here in the state of Texas. And what I want to do is just show you how you stack up to some of those averages over the next few slides, because it's really a lot to celebrate. For example, you'll notice on this chart the results that are in green are the us average for communities with more than 250,000. In just a little bit I'm going to show you how you stack up to some each larger standards, but you'll notice that as a place to live, a place to work, overall quality of life in the city, and a place to raise children, you're above average in all of those areas. In fact, you're significantly above when it comes to quality of life, and also the ratings of the city as a place to live. When it comes to the overall quality of city services, you're also significantly above the average for other large communities. You will notice, though, when it comes to value for tax dollars you're a little bit above, but when it comes for planning

new growth, that's one of the areas you lag behind, and again, I think a lot of that has to do with perceptions of traffic flow, and the general assumption is if traffic flow is bad somebody didn't plan correctly and that's oftentimes what people simplify it too and I think that's one of the reasons you see yourself lagging behind other communities in that regard. When it comes to some of your major categories of services, really just want to commend your parks and recreation system. It's 13 points above the natural average compared to other large communities, so you're doing really great there. You'll also notice that your quality of your drinking water, your public safety and animal services are all significantly above the natural averages. Your libraries, your storm water are also above. They're not -- I haven't flagged them with a blue arrow moving up but they're also above the national average, but you'll see the storm water and traffic flow are the areas that lag behind, and traffic flow particularly at 11%. You can see that the average for other large communities is low at 30%, but you can see that comparatively that's probably one of the reasons it's one of your bigger issues.

[12:24:27 AM]

When you look at safety, though, this is where you have some real strengths. What I like is how safe people feel in their neighborhoods at night. For me personally, I've done this for 20 years, I believe that's one of the best indicators for overall safety in a community, and you'll notice you're 24% above the national average when it comes to that. So just hats off to designing, developing and maintaining a community where your residents feel safe where they live, particularly at night. You can also see your perceptions of safety in parks is 10% above the national average, and that's also another area that tends to suggest you're doing a lot of right things, especially when you're as large as the city of Austin, as fast as you're growing, sometimes it's hard to keep up with changes and new areas will be impacted or could be impacted by crime. This really shows that you're able to sustain what people expect as far as perceptions of safety as you continue to grow. And you can see that in some of the specific areas that were assessed. You'll see areas that rate significantly above the national average are your medical assistance, provided by ems folks, is 14% above the national average. Police services, 10% above the national average. And this for me was perhaps one of the most interesting findings, and it really shows me how well you're deploying your police assets. Take a look at the second one to the bottom. Speed of emergency police response. That should be below average because traffic flow is a major concern. You know, at the end of the day most communities are -- traffic flow, they then believe that police and others can't get to me in time because traffic is terrible, but the fact that you've overcome what should be the perception and you're actually significantly above average really shows me you're doing something well communicating your ability to respond to people, and I think that's one of the reasons that people feel so safe, particularly where they live at night as they think the police can get to them even despite you might have some traffic flow concerns, that that's not varying your ability to provide public safety protection.

[12:26:31 AM]



Some of the other things we looked at on the transportation side, you can see streets and neighborhoods, definitely one of the your strengths compared to other communities at 23% above the national average. You're also doing significantly better when it comes to the condition of your sidewalks as well, and you can see you're more or less on average with major city streets, but it's actually a little below average, and as I show you some of the priorities, even though your traffic flow is your bigger concern, I think that's one of the reasons it does inch up in the priorities on your major street maintenance, and I'll show that you in just a little bit. When it comes to your neighborhood and residential services, you're doing great with residential garbage collection, particularly with residential curbside recycling. You can see you're head and shoulders above most other communities there, and just how well you take care of the cleanliness of the communities, you can see your streets and public areas are significantly above average. In fact, on this set you're rated at or above average in all five areas that we looked at. And as I mentioned before, your overall parks and recreation numbers are significantly better than the national averages, and you can see some of the particular strengths you have is your swimming pools, you can see are 14 points above the national average when it comes to your pools. Your park facilities -- quality of your park facilities is 8% above the national average. Walking and biking trails is also 8% above the national average. And then how well you take care of the appearance of your park grounds you can see is also significantly above average. So all in all your park system -- you will notice one area trail -- your trail is athletic programs is 4% below the national average but outside of that you're very, very strong, pretty much across the board. I'm saving one of the highlights for the last that I already mentioned, because this just really shows what I was emphasizing before. You've got great people working for the city. You've got a great culture. You don't get to be 25% above the national average, which -- in this case 25% seems like a lot, but you'll notice it's almost double the national average compared to other large cities, it's 61% compared to the average city only about a third of residents feel good about the quality of customer service they get.

[12:28:49 AM]

Here you have over 6 out of 10. So again, great organization, great people, and clearly a commitment to making sure that people's needs are met. And what I like is that they're not blaming the people, even though there's -- 11% satisfaction with traffic flow is not particularly great. I do a lot of these surveys, but it's very rare that I see a city have an area that's so highly concerned about, but then also feel so good about city employees. So I think you've really got something special here in Austin with your people. The last couple things I wanted to share with you is just kind of head-to-head how with a few communities over 100,000, particularly several here in Texas, you'll see we include Dallas, Fort Worth, Houston, and San Antonio as part of the comparisons of surveys that we are doing regularly here, and you'll notice compared to the smaller group that your performance is even better in many areas compared to these other large cities. In fact, you'll see fire, emergency medical service, parks and recreation, it's almost every service on the list you're significantly better. In many cases you're more than 10 or 20 points above the national average, and this was where you particularly see that customer service, how much you stand above the other large cities that are in our database. I also want to point out that code enforcement is really difficult for large cities, and particularly university cities tend to lag behind, and you can see you're doing much, much better than these other cities when it comes to your

code enforcement. But as you work your way down the list you will see that maintenance of streets tends to lag behind, and the biggest area there of concern is the traffic flow at 11%. But all in all you're performing extremely well compared to other communities. So with that said you might say, well, how will things change? I wanted to save this for the last because in some ways this is cause for celebration, not just that you're doing well but that you're moving in the right direction. You'll notice what we show on this chart, the five is the five-year average from 2011 to 2015.

[12:30:54 AM]

We then have the results from last year in yellow and the results this year. And this is the percentage of folks who give ratings of 4 and 5, so these are your satisfied respondents. Many people were okay, but we're really trying to show the ones who had a positive impact. And you can see really across the board you'll see almost every area had significant improvement compared to just a year ago. I want to highlight a couple of these. You'll see your electric services rebounded rather significantly, and what's been a challenge for me sometimes when I come, the last few years until now, we've seen kind of a gradual decline. So this is kind of -- I feel like you've turned the corner in a lot of ways with what you see on the results here. You'll see the effectiveness of communication is up. Management of storm water is up. So even though that's rated lower, it's one of the things that's moving in the right direction. I didn't flag traffic flow, but it actually went up 1%, which doesn't seem like a lot, but it's the first time it's started moving back in the right direction for a while. And you can see your parks and recreation, drinking water service, public safety services, all across the board we've seen a rebound. And someone asked me, well, is this just happening nationally? No, most places for the last year have been about the same. We did see some decreases, rather significant ones, back in 2016, but this year tended to be normalized. So this year everywhere I go and present good results, there's another place I'm presenting negative results. So all in all this is pretty much one of the things I think is really showing you're doing some things differently, which isn't a result of just national attitudes or people feeling better about the world. When it comes to some of the perceptions of the community, you can see as a place to live dropped to live a little bit, and when I did some regression analysis, again, concerns about traffic flow were probably making the biggest impact on that. And you can see the place to retire. What's interesting is the people who were most opinionated about the place to retire where people over 65. They're more satisfied than young people, and you can expect that but that's dropped a little bit.

[12:33:01 AM]

When it comes to overall quality of city services that was at 4% compared to a year ago, and I think that's because generally across the board we've seen so many things get better, and even the planning for growth, which is really a big turnaround, 3% is -- may not seem that significant, but I might highlight when we emphasize a statistically significant change we're talking at the 50% level, so as you go to zero or you go to a hundred, that percentage is actually smaller. So at 50% it's plus or minus 1%. But if you're at 1%, it's no longer plus or minus 1%, it's much smaller than that. So that 3% improvement is a

substantial increase compared to a year ago. So things are definitely moving up in that regard. Also public safety. You'll see how safe folks feel at night has gone back up to being equal with the five-year average, which is great, and also your perceptions of safety in city parks is actually now higher than it has been for several years, particularly when we look at the average previously. So I think things are moving very much in the right direction on the public safety side. So a lot to feel good about this year, but there's still a lot of opportunities to do better, and that's kind of where I'd like to close tonight, is just to highlight some of the things that are coming up. The first is just when it comes to major categories of city services. One of the tools that we use to help identify where you should perhaps invest or communicate better to residents about what you're doing is using both the satisfaction data but also the importance data. And the reason we do that is suppose that everyone in the city was dissatisfied with something but nobody cared about it. If you went and invested a billion dollars in that nobody would probably care about it. So we want to not only look at the ratings you get but also the relative importance of those services, and what you'll notice on this chart is that traffic flow is right at the top of the list with regard to being most important. You'll see actually on major highways is number one, and then you can see city streets is third most important.

[12:35:05 AM]

The second most important item is your public safety services, which is typically the number one item in most large communities, but you'll see the satisfaction ratings are so much lower on those with 4 and 11% respectively. That's one of the reasons that comes to the very top of the list, and that's likely going to be an issue that you're going to be dealing with for quite some time. But as I mentioned before, you may not be able to suddenly make it easy for people to get everywhere around town, but making sure it doesn't get worse will actually help you in your ratings as you move ahead. In that first tier after you get traffic flow, then you have planning and zoning services, maintenance of streets, particularly major streets, your public safety service and health & human services kind of round out the second tier of priorities. This doesn't mean that the things down at the bottom aren't important. It doesn't mean that people don't care about them, but if you're actually trying to maximize or improve the overall perceptions that people have of the city, emphasizing the things with the higher importance satisfaction rating will have a greater impact on future perceptions of the city overall than some of the things that are at the lower levels -- or lower areas of the list. We then have categories, just a couple of these to share with you when it comes to transportation infrastructure. You see again major city streets is there when it comes to an infrastructure investment. This is different than necessarily traffic flow, but you can see the traffic signals work their way into that, again, because I think of the importance of traffic flow overall. Those are the top two areas in transportation infrastructure. And when it comes to public safety, you can see the overall quality of police services, and don't -- that doesn't mean that police services, you're not doing well. In fact, you can see 69% give positive ratings and that's actually gotten better and towers above most other large cities but it's just so important to people continuing to emphasize police services is important. And you can see the response times, which I also shared with you, is a relative strength of yours. Those two things you want to continue emphasizing and letting people know what you're doing in those areas.

[12:37:09 AM]

So I know I've dumped a lot of information on you. We actually have several pounds of report. I think we work it out in the contract to charge by pound as far as the numbers of pieces of paper we get you, but really, there's just a wealth of information here. I know Jim and Ms. Olivares are going to share just a little bit of what the city is doing with the data, but I have to say most cities don't take the next step with the staff to actually use the data. They get a report like this. I disappear for a year, I come back next year. It's almost a kind of hit-or-miss as to what's happening. So I think a lot of of the success that you're starting to see with the data is the fact that you've got staff that's really using it. They're diving into it at a much deeper level so you can really take other pieces of information that you have from other sources that are maintained by the city, and with that I'm going to turn it over to them in just a moment unless anyone has any questions.

>> Mayor Adler: Question about the report?

>> Thank you, this is awesome information and it was very interesting going through the full report. I have questions -- my first is, it seemed like the airport and child care, like there were a lot of, you know, general subject areas, and then the airport and child care were specifically pulled out. Can you explain why?

>> Well, the survey has some sections like public safety that have a lot of detail. Other areas we don't have as much detail, so they're kind of lumped in with the others, to at least get some information. So in other words, we just give them the limitations on time that we have for people to complete a survey, we aren't able to ask an entire section of questions necessarily about the airport or those issues. So that's one of the things, though, for future years, one of the things that I know staff and I work with each year when we update the survey, is are there new topic areas perhaps to add. But that's the main reason, is we have to keep the length of the survey to a certain level so it doesn't get so long that people won't fill it out.

[12:39:16 AM]

>> Garza: I'm sorry, I was walking in when you were explaining your -- stating that it's a good representation of our community, so I missed some of that. But -- because I don't know exactly how dependent is -- so on page 12 of the record, not of the presentation, sorry, but it talks about the how many dependents does your household claim on the most recent federal taxes. Some people claim zero. If I'm single I can claim zero or one, right?

>> Right.

>> Garza: So I guess this seemed to be -- it's hard to tell what size the family size is here and it seems it's more representative of smaller family sizes. Is that right?

>> Well, and there are -- if you just look at numerically, there's more 1 and 2% households in the city than there are larger households, so the distribution there. It's hard sometimes to tell whether people

fully understand that question as well. It's a unique question that we put on this survey, and part of it I believe that staff has been able to use it and take a look at how do people with different size of households respond to different situations. But sometimes you might -- and even if you claim none or one, that doesn't mean you're a small household, it might be what does the person who filled it out do. So in other words if you were married and filing separately you might not claim anybody on yours but you filled out the survey, so those are the kinds of things that are potentially introduced to that question that we can't control for.

>> Garza: Okay. Because I guess I thought it was maybe less representative of true -- the number of families that we have here and family size. And then the other part I found interesting was the question about number of children in household who use child care services, and it was significant -- it says 10%, but then the question that says the overall perception residents have of the city, and of the one specifically Austin as a place to raise children. This makes it sound like people who filled out the survey, not many of them use child care services, but they believe that Austin is a great place to raise children.

[12:41:22 AM]

So I guess I just want to make sure as I'm working on child care issues, this isn't -- this doesn't really, in my opinion, reflect the need for child care when it seems like for the survey, at least, while people said it's a great place to raise children, they don't use child care services.

>> Again, you have to think about 10% is actually a lot of folks. It's over 200 respondents to the survey that have a need for child care, and if you then think about, well, what ages of people, you know, need child care, you know, all your households that don't have children, your senior households, you know, the ones who have older kids. So even if it's just 10 to 15% that's probably not unrealistic for the number of households in the city that have a true need for child care. Other households don't really have the need because they may see, well, we have a stay-at-home mom or dad, so that 10% isn't necessarily a reflection of what it's like to raise a child here, because at the end of the day people who have lived here, they have a perception, is this a place where I'd want to have perhaps my grandkids and people move back among their older folks. It could be people who are in their 20s or 30s who haven't had kids yet, are they going to stay here. And so that indicator of what it's like to raise a child, really we can look at it at all different levels, not just those who have children but oftentimes that's a future indicator of whether or not people are going to want to come and continue living here. And so when you get good ratings generally like you have been historically as a place to raise children, that suggests that you're going to continue drawing families and other people here in the future. And so that's one of the strengths of the city, which we can -- and I don't know the number off the top of my head, then break the results down for those who truly have a need for child care, how does that stack up to people who don't, and the differences. So those are one of the reasons we have that question in there is to provide you with the ability to break the data down even more for some of your specific needs, so it's not necessarily to make sure we have the exact number of child care but of those who do have that need we can take a look and see, well, of those 200 and some respondents, what are their views about a number of other issues that probably are going to affect some of the decisions that you may have to make.

[12:43:31 AM]

>> Garza: Okay, and I appreciate that so I --

>> Houston: Council member, can you tell us what page you're on?

>> Garza: I'm sorry, I'm on --

>> Mayor Adler: The full report --

>> Garza: This slide doesn't have the --

>> Yeah, I didn't include that in the --

>> Garza: It's 34 -- 33. 33. And then the report, it's page 13. Yeah, I just -- you know, I appreciate the perception and how it's -- how it's clearly spelled out it's the perception, but, you know, I guess the reality is I probably -- you know, after you actually have to pay for child care and you have so limited options and you see all the wait lists you have to be on, the reality is clearly different than what it is. But I'm sure staff is taking all that into account.

>> But if we haven't, I'll make sure that we do provide that cross-tabulation for you so you can actually see for that group that has a need. I just don't remember off the top of my head, but I can understand the needs that you have for that data, so I'd be happy to go through and look at significant issues that might help you with some of the analysis or decisions you might be making.

>> Garza: Sure, and I have one more comment and I'll pass the mic. I really -- I think it's -- and I'm sure you're probably getting to this, but if there's some way to overlay this data over -- when we start talking about the bond, because I think that will be important to see as we decide, you know, the levels of bonds for what departments. You know, on one hand you could say something with a very high rating, let's keep doing what we're doing, or you can say, maybe if it's so high off the charts high, we don't have -- we should be moving bond dollars to areas that are significantly low in an area that there's a lot of dissatisfaction. So I think, you know, if we can somehow overlay this survey with the bond recommendations would be great.

>> We can definitely see where those overlay options exist. One thing I wanted to point out about the child care, the question about number of children in the household that require those services, that was a new question this year, and we also had several other questions related to affordability.

[12:45:41 AM]

So once the city auditor completed the affordability review we're able to take the major facets that she identified as the affordability and integrate those into the survey, the questions about affordable quality, access to affordable quality housing, quality child care, health care and food. So we wanted to

be able to take the question about access to affordable quality child care and relate that also to those respondents that noted they had a need for after -- for those child care-type services. And then we also had the ability to connect that with other data related to costs of child care and things like that. So we wanted to be able to address the affordability aspects that have been so important to this council and community in a more meaningful way this year and also give the capability of breaking that down in a much more useful way, particularly because of that child care conversation that's been going on.

>> And one more thing on that note. You know, if 10% are using child care, it is a lot, but I also just want to point out that sometimes families choose to just -- mom just chooses to stay home because it's a wash because child care is so expensive, so they're not using child care services, but it would have helped that child to have early childhood development. So yeah, I just wanted to make that point as well.

>> Mayor Adler: Okay. Ann? And then Ms. Houston, and then council member alter.

>> Kitchen: I have a question about -- well, it's not a specific page per se, but the question about transportation, about traffic flow on major highways is a new question, and we've had conversation in the past about -- and the reason for that is there's a difference in what the city's authority is in terms of what we can impact. So I'm curious -- so we've separated those out for the first time, the major city streets and the major highways. So I'm curious if we did anything as part of the questions to differentiate for people what we meant, because I'm wanting to really -- I'm surprised, I would have thought we would have seen more of a difference.

[12:47:49 AM]

And so it's good information for us to see that there isn't that much of a difference and there's still that concern for major city streets. I'm just wondering what people have in their heads when they're thinking major city streets, and if they really are differentiating between highways and the streets that the city is responsible for.

>> Right. So in 2016 we worked with the transportation department to make sure we were splitting that out in a way that was going to be most helpful. So the question we asked -- we added, we had traffic flow, major highways and we actually list examples.

>> Oh, you did.

>> 35, mopac, 183, traffic flow city streets we list congress, burnet, palmer, Riverside, et cetera et cetera.

>> Kitchen: So you give examples.

>> We had the same exact concern that you just noted.

>> Kitchen: Okay. So then the second question that I have is just -- it would be very helpful to see this information as a breakdown across the city, because giving it to us in the aggregate like this doesn't tell us if we've got problems in different parts of town. So the slide that is the aggregate slide tells us a little

bit, you know, the one that has the -- I forget, it's one of the first ones, it shows the blue, but it shows -- most of the city is not in the blue, you know, in terms of their satisfaction. So I just think it would be more useful for us -- or not more useful, but it would be an additional usefulness for us if we could understand what -- what this is showing us in parts of town. In other words, you know, we may have overall satisfaction as a whole, but there's parts of town where we really have way below satisfaction, and because it's averaging out we're not seeing that.

>> And that's a great point. Actually in the full report in section 5 --

>> Kitchen: Yeah, but I mean, when you present it to us, I think it's helpful. I know it's in the background, but when you present it to us, it helps us have a much better discussion, I think.

[12:49:58 AM]

>> We actually, one of the things that we wanted to be able to show you after the questions is demonstrate just exactly that, that we're -- we can demonstrate where we've taken all the responses from -- in terms of just the pure -- the numbers and look at trending and through application but also the giss. So we're able to look at the respondent location and also compare to different layers. Looking at park satisfaction in relationship to locations of the various park facilities, or or roads or other various things. That's one of the things we'll demonstrate to you in a moment.

>> Kitchen: Okay. The last question is -- and this may get to actually what you're about to demonstrate, is that it would be great to make sure that we align this survey in the future with our strategic directions. So that somehow or other we align this to the metrics -- you're probably going to talk about that.

>> Before we do the -- actually, I apologize. There may be other questions.

>> Mayor Adler: And there are just a couple more. When you post this in backup for today, can you also post the link to the full report so if someone comes to today's session they can just click on the link as well?

>> Yes.

>> Mayor Adler: Alison?

>> Alter: Thank you. There's a lot of really good data in here and I look forward to diving more into the report. With respect to the low scores on planning for growth, I didn't see when you compared us to those other -- that subset of cities, that comparison. So there are some cities who are in the larger benchmark where we do have comparison that aren't growing. So how do we compare to cities that are growing or growing at a pace comparable to us?

>> If you're interested, I could probably pull that out for you from -- by vehicling some particular cities that are in growth mode.

>> Alter: I would like to see because then we could look at those cities as places we could learn from and see what they're doing that maybe we're not doing and it could provide some additional insights into stuff.



[12:52:02 AM]

On page 24 you have traffic enforcement listed. And that's related to the public safety services. What I hear from my community all the time is that has to do with their feeling about transportation and traffic flow as well. Can you drill down a little bit more to say what you learned about enforcement and satisfaction with traffic enforcement.

>> Your traffic has probably done more drilling down than I have, but I can comment that typically what happens in communities that have traffic flow issues is what happens is people start driving through neighborhoods and things like that more quickly so the concern about traffic flow rolls over to traffic enforcement because people are now driving in areas that are not designed for higher speed traffic so then it's not unusual to have concerns about traffic enforcement issues in communities that also have concerns about traffic flow.

>> Alter: And maybe at the appropriate time our staff want to share that. Now -- if you're going to drill down in a minute, that may not be the appropriate time. And then my last question right now is about the question about stackets. So one of the challenges we have that our city taxes are really a small portion of the taxes our community pays. Right now as the mayor has been emphasizing right a lot lately, we're paying a lot of taxes for property tax to fund schools outside of Austin, equal amount to what we're paying in city taxes. So when that was presented to people, how did you navigate that challenge of our reality with respect to our taxes?

>> The question is that people are asked to rate the value of the taxes that they get from the city locally. And there's going to be a lot of factors that go into that. School district is a completely separate entity, but a significant portion of the property taxes and things go to the school district. That can often times hurt a city's perception because at the end of the day most people aren't familiar with exactly what they pay.

[12:54:08 AM]

So that does -- so there are going to be other factors that influence that. One of the things we're looking at is how does it change over time. In other words, the perception that the city is doing better and you're understanding the concerns that the public has, that should see a positive improvement. We did see a slight increase in year in perception or satisfaction with the value for taxes. Hopefully that will go up as some of the other concerns that residents have are addressed in the future.

>> Alter: That might be true except for fact that the state property tax is going up and up and up and becoming a larger portion of our taxes at the same time. The fact that we went up is quite remarkable because they jumped such an enormous amount.

>> I'm not always aware of all the other factors going on, but if your state property taxes are going up, the perceptions of city value is also going up when it should go down. That means you're significantly offsetting what should be causing people to be more negative on their taxes.

>> And just to be clear I'm talking about a tax that looks like it's going our school district that's really going to our state. So if anyone is watching and trying to figure out what I'm talking about, it's the school tax on that. Do we ask anything when we ask that question to qualify it just the way that councilmember kitchen asked for the major city streets.

>> The question reads overall value that you receive for your city tax dollars and fees. So city is the qualifier there. But we can look at options for us to better clarify that in the next survey, when it goes out.

>> And in the future surveys we've had some communities in Kansas that have been affected by similar issues so they're breaking the questions down at different levels so that way as they trend into the future they can actually see perceptions of state as compared to perceptions of local taxes and that may be one of the things that we could suggest for next year's survey.

>> Alter: Yeah. I called it a state tax, but it's not -- not really.

>> Mayor Adler: So the moment doesn't pass, and I recognize that we're going to be talking about how this question was answered in different areas around the city, but to have a 25% above national average finding for satisfaction with customer service, I mean, you show up at the job one week and suddenly we're 25% ahead.

[12:56:28 AM]

[Laughter] Just amazing. But just to give a shout-out to the city staff. That's just an incredibly strong number. Mr. Flannigan.

>> Flannigan: You were reading the two traffic questions that councilmember kitchen asked you to read, did you say that you included Parmer as a city street?

>> As a major city street.

>> Flannigan: It is not. It is a highway like 360.

>> I will confirm because these were -- these were created in collaboration with APD so we'll make sure that go back to them.

>> Flannigan: That's a big issue in my district because it is a road that I can't fix through the city that my constituents are very frustrated about, and we actually put 17 million in our bond. And txdot should know that is not a road we can fix on our road. That's one thing. Second thing is I'm really glad to hear your explanation about the difference between the homeowners and the renters and that you did the analysis that their responses weren't significantly different, but more importantly it's great to know that there was a policy choice made that resulted in that outcome. That there was a decision about balancing the age brackets and then that had the affect on the other categories. That makes so much sense. And

even if I don't particularly like that, at least it wasn't an accident. And I really appreciate that. And if I had been given that answer last year then I wouldn't have been so frustrated. So thank you.

>> Houston: Mayor, could I ask about the same question? Could you name the streets again. You were going fast too.

>> So the major highways is -- includes 35, mopac, 183, 360, 71. And for major city streets that includes congress, Lamar, south first, burnet, Parmer, which we will resolve, and Riverside.

[12:58:28 AM]

>> Houston: So there are absolutely no east-west streets on your list.

>> I do remember when we were looking through these streets -- Riverside is east-west.

>> Houston: Well, southeast-west, but other parts of the area that were -- it's predominantly the usual streets that you look at. And there's congestion in other areas on mlk, lots of congestion. The only place you can go east to west is 969 and then it turns into mlk. So there's got to be a balance of what you're looking at. Riverside is one, but also 969 is the only thing -- and 290 is not a city street, but mlk spot it becomes a city street.

>> If I can add, Robert Goode, assistant city manager. We weren't trying to list all the roadways, we were trying to give the respondents an idea of major facilities, mopac versus the city. That's what we were really doing. Here not gathering data for each specific roadway. >>

>> Houston: I understand that, Mr. Goode, but when there's no streets in their area, they don't -- they don't drive on mopac, they don't drive on Riverside, Lamar. Those aren't options to even respond to. This is one kind of thing that people can respond to.

>> Sure.

>> Mayor Adler: Anything else? Did you want to talk?

>> Troxclair: I think councilmember alter tried to clarify it, but I want to make sure that we're really clear that there is not -- there is no state property tax. I know there's a term that the mayor used last week and I had some people who were really confused by it. And taxes are really crouse R. Confusing name. There is no statistic property taxes. I think he's talking about the -- and councilmember alter were talking about the Austin ISD taxes. Thanks.

>> Mayor Adler: Okay. Go ahead and proceed. Thank you.

[1:00:31 AM]

>> So -- so before we do the demonstration, and this actually -- this last side speaks to a weigh councilmember kitchen noted. I wanted to note a few next steps that we will be pursuing. First off the application of the dashboard and the gis analytics which we're about to demonstrate. By using the dashboard capabilities and the gis capabilities, we're able to really improve assessment of trends, demographic breakdowns, satisfaction, dissatisfaction in relation to location of the actual response versus the various related facilities. We'll also begin commencing discussions regarding the logistics for conducting focus groups around certain service areas. One of the questions on the surveys is whether or not you would -- you're open to follow-up questions. And so we want to take advantage of those who have said they will. And look at how we can engage them further. And then finally, as asked by councilmember kitchen, we will be for the 2018 survey redesigning it to ensure that it's in a full alignment with the strategic outcomes. One of those steps also includes incorporating a number of proposed new questions. As you'll recall that amongst the various metrics for the outcomes, there were a number of new questions proposed. So we will have to figure out how to work all these things in. Also balancing the length of the survey, like Chris noted. Because there's a certain challenge of how long it is and how much time it takes folks to answer the survey. So we want to make sure that we're getting quality survey responses, but also covering the variety of topics and questions that have been put forth. So with that I'm going to actually turn it over to one of my team who I sever refer to as my data unicorn.

[1:02:33 AM]

Her skill set is fantastic when it comes to the analytics. So she's going to demonstrate the dashboard you see on the screen in front of you as well as the gis factors that we've created.

>> Good morning, mayor, city manager and council. I'm going to talk very high level about the business intelligence dashboard that has been created and I'll bounce back and forth between that and the gis information and give a couple of examples and then open it up for questions. Just so orient you as to what you're seeing right now, this is the community survey three-year comparison. And I apologize for it being so small.

>> Mayor Adler: I can read it really well.

[Laughter]. Just saying...

>> Great.

>> Flannigan: Is it possible to pull it up on our laptops right here, are these public links?

>> It is not. Right now they're internal, but after this discussion I can grant permissions for internal access. So over here to the left you will see a series of drop down menus that allow the user to drop down into specifics for the data. So if you want to see specifically what's going on in your council district you have the opportunity to just click and on the bottom the tables will adjust accordingly. And so we do have an option here for strategic priorities. Some of the questions did align well with the strategic priority. We also have primary and secondary categories. You can search by complete question and you can do a breakdown by race, ethnicity, age, income, owner versus renter, gender and as councilmember Garza had asked, number of children. So the table below shows the city as a whole, and this is a table

that shows levels of dissatisfaction and it's provided for '15, '16 and '17 along with a spark line that shows the trends. And then to the right of that is the -- to the right of that is a percentage of change from '16 to '15 and the percentage of change from '17 to '16.

[1:04:40 AM]

So the neat thing about this table is you have the ability to sort based on highest levels of dissatisfaction and you can also sort based on largest percentages of change. So when you sort on the largest percentage of change between '17 and '16, the question of affordability for low and moderate income families has addressed from previous years by about 4.9%. So when you look at that information by district, and you can do a sort here -- let me go ahead and -- so availability for affordable housing. You can see that district 4 experienced the highest levels of dissatisfaction last year at 77.3% followed by district 5 at 72.3%. When you look at this information by race, you can see that African-Americans indicated the highest level of dissatisfaction at 74.1%. So when you go over to the GIS side of things, this table or this map shows the satisfaction by responses for individuals on the left and the dissatisfaction on the right. So I will go ahead and I'll just turn off that layer. So the survey was done only for full purpose so I'm just turning on that full purpose layer so we have that outline. And here you can see all of the people who answered the affordable housing who were satisfied compared to the folks who were dissatisfied. So when you unclick that and look specifically at which African-Americans stated that they were dissatisfied, you can see particular clusters right over here and you have the ability to zoom in.

[1:06:45 AM]

Just so you know, there are to the block level so you cannot identify participants by address. So you can see pockets that exist in certain areas. You can also toggle back and forth and look at other selectors, for example, American Indian, Asian-Pacific islanders, Caucasian and Hispanic. So what this information shows is it helps inform us as to what pockets are experiencing highest levels of dissatisfaction or satisfaction, particularly with affordable housing. So let me go ahead and clear that out. Another question that was really interesting was this idea of pedestrian accessibility. So if we look at the city as a whole -- I'm only focusing on dissatisfaction. We can also do the same thing with satisfaction as well. I'm just trying to do a high level and show the value of being able to dig in so we can be proactive in our efforts to improve the survey results. When we look at pedestrian accessibility, it didn't really change a whole lot from last year. 29.1% of folks are dissatisfied, but the interesting thing is when you go back over to the mapping side and you turn the areas that are dissatisfied with pedestrian accessibility, I went ahead and pulled in the city of Austin sidewalk network. And so what you can see, and I just did the search based on sidewalks that are absent, so it's these black lines that are forming, and I know it looks a little bit weird on the screen. But here you can see high levels -- let me turn that off really quickly.

[1:08:51 AM]

Pockets of individuals that said that pedestrian accessibility is dissatisfactory compared to areas that are experiencing absent sidewalks. And you can see specifically which areas are experiencing absent sidewalks. So the last point that I'm going to make has to deal with the children question, and particularly the quality and affordable childcare. So this question was actually new to the survey. This was the first year that we had asked about 55.5% of individuals who answered were dissatisfied with childcare. We actually have the option to drill down of those individuals who were dissatisfied, how many of them actually had children. And so if you highlight you see that it goes up to 60% of people dissatisfied with children as compared to people who said that they did not have children at 47.5%. And so if you look at that information as well by income for the city of Austin you can see the highest demographic group is at 42-59,000 income bracket. So that middle income bracket is experiencing the highest level of dissatisfaction. So when you go back to the map -- let me go ahead and turn this one on as well. These are the areas where people have said that they're experiencing dissatisfaction, which looks pretty evenly distributed throughout the city. But the cool thing is we also have the ability to pull in this layer, which is the 2017 U.S.A. Childcare spending layer.

[1:10:57 AM]

And this is a layer that actually maintains. And what it allows is it allows to you drill down even further. So you see the high levels of dissatisfaction kind of occur evenly through the west and east of Austin. But if you click on the polygon that is behind or the census tract, it actually provides information as to the average -- so what it is is this is the block group and it's broken down by cost of spending. So let me just zoom in a little bit further. And what it shows -- it shows higher levels or that darker purple and the lighter purple is lower spending. So the darker purple for example shows on average within the census tract \$1,203 is spent on childcare per household in this area compared to the national average, which is 479. Per month. And if you go over to the lighter purple side -- it's zooming in. But the mouse is stuck.

[1:12:58 AM]

>> Alter: Is that the amount regardless of how many kids are in the area?

>> Yes. That's the on average amount. So we have actually met with Austin public health about this information and one of the limitations about this data is it doesn't necessarily separate between out-of-pocket expenses versus any other additional income that is potentially coming in. So it's just taking on average what is spent on household income -- what is spent on academic, but it's not actually breaking it out as to who the burden of cost is falling upon or how many children are actually in there.

>> Pool: I'm curious because I paid for academic even though it was a -- I paid for childcare even though it was small, I earned a lot less, most people did back then. My daughter is 30. Is there a way to know in present value what I paid per month and how that translates today? Because I'm wondering -- I

understand that everything has gone up. Cost of college is going to be more expensive for the parents whose children are in academic than it was today for when my daughter went to college. I completely get that. But everything else is also -- all of that is all changing. A basket of goods is increasing in price. Do we have a way to level set that to give some foot holds for people who are older so that they can also appreciate what the burden is on parents who have young families.

>> That kind of analysis is something that we would be working with public health specifically on to see what data is available in terms of trying to cost increase over years. This particular layer does not have that information, but that is something that we work with to see if we -- we would love to see how we could integrate those too.

>> Pool: That can also go to answer the question has childcare always been one of the most -- the most expensive costs for a family?

[1:15:02 AM]

I remember it was for me. But it wouldn't have been when I was a child. It wouldn't have been likely to happen, but it's part of more what every family does these days so I'm curious to know that as well.

>> I wanted to add when you provide the budget forecast I believe the second -- the highest cost for families I thought -- you had provided last year and it's housing is number one and childcare is number two, so that's another way to do the analysis. Has it always been number two?

>> Or transportation for example as number two.

>> Troxclair: That's really cool data, thank you. You will send us a link or something?

>> Yes. What I can go ahead and do is give you permissions for the application as well as the arc gis online. And if anyone else on your staff needs your permissions as well I would just need a list of names.

>> We'll work with each of your offices to gather that information. If gis isn't something that's used as frequently in your office we can also arrange for like a group -- like a training session on how to navigate through it so everybody is able to use it similarly.

>> Troxclair: Thanks. And when we're talking about affordable housing, I guess in --

>> Garza: When we're talking about the survey as well as in this data, is that government subsidized housing or just housing that people consider to be affordable and is there a distinction made when Laura asked about that question?

>> There isn't a distinction between subsidized, incentivized. It's just generally affordable housing. The question in terms of affordability for access is access to affordable quality housing, but then we also have for the questions specifically to affordable housing -- let me find it really quickly.

[1:17:14 AM]

Availability of affordable housing for low/moderate income families. So that -- you could interpret that potentially to have subsidized aspects to it, but it doesn't specifically note that.

>> So generally.

>> It's just general access to affordable housing.

>> Garza: So you think your housing is affordable?

>> Mayor Adler: So by saying that you're giving us permission you will give us so we have authorized use for it? Is this not something that can be public facing?

>> It's a network situation. There are security aspects in there. We're not able to put it outward facing necessarily.

>> I suspect it's also a licensing issue, a click-view application and we have a certain number of licenses to extend to users. We are extremely excited about it, though. Chris mentioned that in a lot of communities you do the survey, you get the annual report and you're either happy or sad about it and then you do it again next year. We've always tried to use this data. We've done some focus groups in the past to better understand the results of the data and we've worked with departments to incorporate it in business planning, but this is taking it to a whole new level or ability to drill down, analyze, understanding data and make more informed decisions. It's something we're really, really excited about.

>> Mayor Adler: It is so good and so exciting that I anticipate having lots of people asking how they can also get into the data and work through the data to see what correlations they find. I don't know what the answer to that is, but we should probably pause on that to figure out how the -- we make that kind of information sorting available.

>> We also have the available of posting the data to a data portal to make it available.

>> Mayor Adler: Okay. That probably would be something we should do, I think.

>> Flannigan: That was going to be my suggestion is even the raw data being available, there's plenty of talented tech folks in this town that would love to these tools given the data underlying T I want to thank you for doing your demo.

[1:19:19 AM]

I have done a few technology demos in my day. It is a nerve-wracking experience and I never had to do one on too. So good job!

[Laughter].

>> Mayor Adler: Ann?



>> Kitchen: Two things. I wanted to ask if you could put me on the list, reach out to my staff to give us a training. That would be helpful. And then because we need you to reach out to us. We're still operating on lower staff so we're running pretty hard. So if you can reach out to us.

>> I'll reach out to every office.

>> Kitchen: Then the second thing I think it would be useful along the lines of what you are saying to add this to the -- I know it's getting to be a long list, but as smart of our smart city roadmap we identified -- we identified functionality that we wanted to use our technology to make available to the public. So I realize it's not available right now for various reasons, but as an aspiration national thing in the future I think this should be identified and there is a running list that our innovations officer and our ctm is working on, on how we can be more user friendly to the community and also there may be-- this may be one of the things that the tech alliance is interested in working with us. They're already working with us on the paper local project so that's the first thing they're doing. But it could be one of the things that they would be interested in stepping in and helping us with. They've offered their services for free basically.

>> Mayor Adler: Cool. Yes?

>> Garza: Last thing, I promise. The questions that were asked in the survey, and I'm sure you probably tried to wordsmith stuff and sorry if I'm being this annoying person. If there's a way to ask the how many kids do you have question more clear, I think that would be really helpful because the question that says how many children if any do you have in your household who use childcare services such as blah, blah, blah.

[1:21:31 AM]

It might be zero, but if you followed it up with how many use this if it was affordable I think you would have a different set of numbers. There's just a way to ask how many kids do you have to get clearer data. I think that would be great. Thanks.

>> Mayor Adler: I think those are all the questions

[inaudible].

>> Thank you, everyone.

>> Houston: And mayor, just a comment to the presenter. Thank you so much for being here. And you have some really cool Santa Claus socks on.

[Laughter].

>> All right. So we're going to transition now from talking about our community survey to continuing our conversation about our strategic outcomes and how our budget aligns to those outcomes. We're going to start with economic opportunity and affordability, but before we did it's been a couple of weeks since we did this last and I want to maybe reset what we're going to be doing, why we're doing it and kind of what we're hoping to hear from council as we go through the rest of today's work session. So first of all,

in terms of what we're doing, we've got four aspects to each of these presentations. How much are we currently spending in our fiscal year '18 budget that council approved back in September, how much are we currently investing in each of the outcome areas. So that's question one we're trying to answer. The second question is how well are we performing? What kinds of returns on investments are we getting for those dollars and using really for the first time the strategic measures that council has identified through the strategic plan. And some of the outcomes you're seeing -- you're going to see today we have a lot of data on those aspects. We're trying to narrow it down to a handful. So we're not planning on presenting you all the data we have for all the metrics, but we're trying to give you a flavor of some of the data we have and how well we're performing.

[1:23:33 AM]

And also to give you some interesting -- hopefully interesting segmentation results. The third question is looking at where have our recent investments been? So 10-1 council has been here for three years and you all have adopted now three budgets, made a lot of investments. So we want to go back and look to see of the new investments what are some of the highlights that we wanted to bring forward to you in each of the outcome areas. And then finally this idea of continuing conversations that every year there's some conversations that have been happening related to the budget. Some are still out there. They're ongoing conversations. So we're trying to just data those issues in -- daylight those issues in advance of our budget deliberations. One of the main reasons we're doing this is because we are heading towards an April 4th financial forecast and a facilitated priority setting with the city council. So we think it's really important to lay the groundwork of what does your budget look like through the lens of your soon, hopefully soon to be adopted strategic plan, which is on your agenda for tomorrow. And then on the 4th we'll be working with you to better understand your budgetary priorities relative to your strategic plan so we can then develop and deliver to you a budget that aligns with that. Some of the things we're looking for from council today as we go through these presentations is really just get your feedback on the budget alignment to the outcomes. It is not an exact science. Reasonable people could think that this program really aligns better with this outcome or this outcome. So as we go through this we are really seeking your input if you see anything that seems a little bit strange about the alignment, we'd be happy to take your input and make tweaks to it. And then finally, your input on the continuing conversations. We're trying to daylight some of the conversations that we know have happened in recent years that are perhaps still ongoing. We could potentially impact the fiscal year 19 budget, but that list is perhaps not all inclusive. So as we go through this, if you see items that you think need to be addressed as part of our continuing conversations, we would love to hear from those.

[1:25:42 AM]

And again, our idea today is to not dive down into each one of these topics, which maybe a complete separate work session for each one of those topics, but it's to daylight them and to bring forward conversations that perhaps need to happen prior to the budget being finalized in September of this

year. So with that, as a means of background, I'm going to jump right in to our first presentation, which is economic opportunity and affordability. And I'll just say I'm joined again by Diane Siler, who is going to be talking about the alignment aspects, and Greg Canally, who will be getting into some of the performance data and continuing conversations for this outcome. Can you pass down the clicker, Greg?

>> So in regards to economic affordability we like to start with pictures on the screen. Pictures are worth a thousand words and these are the types of services the city is providing that we felt aligned well with the economic opportunity and affordability outcome, which is defined as being those things that have -- having economic opportunities and resources that enable us to thrive in our community. So redevelopment services, our convention center is a big aspect of this outcome, services for the homeless in regards to affordability, our small business programs, customer assistance programs offered through Austin Energy and Austin Water, weatherization programs, green energy initiatives fell into this category under the affordability side. Affordable housing, planning and zoning activities. Of course, imagine Austin fits well into this outcome. So these are some of the budget expenses that you will see aligning to economic opportunity and affordability. The guideposts here for when we're doing this alignment and we're trying to make decisions about which programs, which activities best align to this outcome, we're really using the indicators you identified during the strategic planning process, but really the metrics underneath these indicators.

[1:27:47 AM]

You can see up here on the screen that the indicator categories, the metric categories were employment, income equality, cost of living compared to income, housing, homelessness, the skills and capability of our community workforce and finally economic mobility. Lots of metrics in this area. We do have an appendix at the end that lists what all these 40 metrics are and where we currently are in the data collection process, whether we have data for these measures or not. Just a high level picture and just to remind you that the smaller pie chart over on the right is showing you relative to the entire budget and the six outcomes how much comes to economic opportunity and affordability. The answer there is 15%, which equates to \$421.8 million. This is mostly -- this outcome is mostly coming from enterprise departments with Austin Energy being a big part of it as well as the Austin Convention Center. Economic development represents nine percent of this outcome and then that other category I always like to just kind of highlight what some of the big departments are in there, but it's a lot of departments. Public Health, neighborhood housing and financial services being three of the primary departments that make up that other chunk. I'm going to pass it over to Diane now and she will get into some of the details of what that budget alignment looks like.

>> Diane Siler, department budget officer. Austin Energy met nearly 30% of its budget to economic opportunity and affordability, I think illustrating the focus of the outcome to the utility. Through its energy market operations that engages in the daily management of market operations and fuel supply management to keep the rates as low as possible for Austin Energy customers. They provide billing and energy efficiency assistance for customers struggling with their energy bills. They maintain a reliable fuel supply which allows us to minimize the fluctuations in fuel costs, also keeping costs low for customers.

[1:29:56 AM]

And their multi-family rebates and weatherization programs help reduce the demand for electricity, keeping electricity bills low again. Moving on to the convention center, it is aligned 100% with economic opportunity and affordability due to the nature of its business. The core activities of economic development are included in this outcome, and those are shown on the slide, on this slide. As a reminder, 20% -- the other spent% of economic development was -- 20% of economic development was included in culture and lifelong learning for its cultural arts, music and entertainment activities. Likewise, 70% of smbr is included in economic opportunity and affordability for the work it does with small minority owned and disadvantaged businesses, ensuring that they have procurement opportunities with the city of Austin. More than 25% of the health department is aligned with economic opportunity and affordability for the work it does with childcare program providers, homeless services, workforce development services, and for the essential services it provides to low income persons from -- at neighborhood centers. All of neighborhood housing is aligned to this outcome reflecting its mission to provide the housing and community development services to residents, enabling them to live in liveable neighborhoods and increase their opportunities for self-sufficiency. So airport, property management activity, the portion of Austin's water rebate and conservation programs and 50% of telecommunications, regulatory affairs and business administration finish up the programs that are aligned into this outcome.

[1:31:58 AM]

Northward in regards to the outcome by funding source, the utilities as Ed said, constitute approximately two-thirds of the outcome. The other enterprise funds make up another quarter. Despite neighborhood housing being 100% aligned to this activity, general fund is six and a half percent and then the final two percent of the outcome is for the sports services funds.

-- Support services funds.

>> I want to remind people because it came up last week when we talk about the general fund and neighborhood housing, this is just general fund costs. So neighborhood housing also gets a lot of federal grants which we're not capturing in this analysis. And we're also not capturing cip funds. This is operating budget dollars, really local operating budget dollars where we're doing the alignment.

>> Thanks, Ed and Diane. As Ed mentioned we have the performance vetted to track against each of the indicator categories and we'll take five slides to highlight some of the indicator categories and there's an addition with the over -- appendix that we're tracking. The first one is tied to our employment. And actually a hard copy has a chart that we've updated for the session here today on unemployment rates. In the hard copy it's really more of a point in time. Unemployment rate we really know that unemployment rates are much better tracked over time from a trend perspective and so we wanted to show you a five-year trend on that. And that's what you see on this, our unemployment rate now is at 2.8% versus 3.4 a year ago. So certainly coming down. And we want to -- for context we show you how it

is against the state of Texas. A subdataset of our unemployment rate is obviously our employment growth rate, the amount of jobs that are getting created each year. So as you can see we've had a good run going back to -- this is quarterly going back to quarterly '15, 2015, and certainly we see some slowing in that growth and I think it's natural coming off the high base of growth years.

[1:34:11 AM]

So the employment has a kind of base core from that metric. Moving on to income and equality, obviously a really key issue that is I think weaved through the economic opportunity and affordability outcome. So we have a slide here, a chart here that we're able to get data on on the number of percentage of residents living below the poverty line. While we have seen some improvement over the last four years and I think a lot of that is in 2012 you would have been coming out of -- this is national -- this is census data information. And so you're coming out of 2012 in -- coming out of the great recession, you will see kind of a bombing out that actually lags from a data perspective, lags where we were in Austin in 2012. So we're seeing some improvements obviously, but I think really for us the focus is on the segmentation of the data, looking at how we're doing along race and age and gender. I think as you can see, the hispanic and African-American, those percentages are much higher than our overall percentages. So again, I think that is why you've seen a lot of our priorities and strategies in this strategic outcome aligned towards those. The next indicator category is cost of living compared to our income. There are multiple ways of looking at this. We do have -- we have mfi data that is in the appendix. We just grabbed this one for today to look at knowing that household costs are really significant part of anyone's household budget. Looking at the percentage of households paying more than 30%, which is typically been a data point that most people gravitate around. Again, somewhat flat again coming back off of I think as we've seen wage growth. And then also, but more importantly looking at the folks that are kind of in an extreme rent where they're paying more than 50% of that.

[1:36:16 AM]

And again, somewhat flat coming down. What's important here is looking at the data subset, looking at we've been able to break this out, the data we can track from renter versus owner-occupied. As you can see on a renter side, the renter -- the rental cohort is a larger -- they're having higher numbers associated with that and I think that is -- that resonates with a lot of the anecdotal information that we hear throughout the community. Moving on to housing as a key indicator, first and foremost the city is in the housing by not only through our affordable housing programs, but also get through our residential review process. This is one of the categories and outcomes that we look at. And our ability to get our residential plan reviews. We know that is a key component sometimes of getting housing and multi-family done. And not unsurprisingly, we have made a significant increase in that over the last year due to a lot of the investments that we've made and the work that the development services has done to put into that. And the other side of it is looking at a tracking -- tracking and looking at really getting at almost housing supply. This is a data point for imagine and what this is really telling us there's been a lot

of absorption as new units as new product is coming on. There's been a lot of absorption, but not enough to sometimes keep up with demand. Another way of looking at this is that inventory sometimes we look the housing inventory that's out in the metropolitan area, currently the inventory, the overheated housing market versus a less heated housing market. So we look at two and a half, going five years, so that comports to a lot of things that have been seen in the housing market.

[1:38:20 AM]

And something we could track. Again, there's other data metrics around housing that are in the metric. I think it key one certainly a focus of conversation we've had for awhile, over the last few years is our homelessness. This first one is the point in time count from echo on homelessness. Talking with acm Hensley recently I know she has been out. There are probably some undercounts that aren't getting included around family and children, as well as some of those folks that are on marginalized that might teeter in and out. This is this is just that the data subset here is sheltered versus unsheltered. I think that leaves us with those five categories. What I'll say again is there is an appendix of all the metrics that kind of broaden this out. Clicker back to Ed.

>> I wanted to talk a little bit about some of the highlights of the new investments over the past three years and our economic opportunity and affordability outcome. Before getting into that again I want to remind everybody that we're not capturing grants here. This is -- these were capturing general fund investments and essentially enterprise operating investments. We're also not capturing cip funds. We're still working on that cip alignment as intensive and exhaustive as the alignment process was for the operating budget, it's literally about five times more for the cip. We have that many. We have about 2,000 operating budget units that we had to drill down into and look about and think on and deliberate on. We have about 10,000 capital budget units. So it's a lot of work, but it is under way and we are going to absolutely have that for you as part of our budget presentation when we bring the new formatted budget forward. It also doesn't include one time funds out of your budget stabilization reserve fund but that is something that we brought to council.

[1:40:27 AM]

Last meeting we provided you a spreadsheet of these investments out of the budget stable R. Stabilization reserve funds and we worked through that list quickly to show you what that alignment looks like. You should have that in your inbox somewhere if you haven't already seen it. Also a reminder that we're trying to highlight what we characterize as new investments. Wages go up typically every year. Yes, health insurance costs go up typically every year. We may have things like software maintenance contracts where the costs go up more, but it's not really a new investment. It's an existing system or existing staff and just a cost of those things go up with inflation. So we're really just trying to bring forward highlights of what we consider to be new investment and new services, new programs. So in regards to the general fund investments we had two that we're highlighting. One being the

investment in our homeless outreach street team, which of course is designed to help our homeless population. And then the second one is \$176,000 that was included in our planning and zoning department for neighborhood plan process pilot which was really intended to enhance our neighborhood engagement and to allow us to do better engagement for things -- some examples would be our imagine Austin speaker series in the north Austin burnet block events. And our planning department engaging with other stakeholders to improve the public engagement process related to neighborhood plans. This next slide is all about the convention center. We used to have a lot more items on here and it really seemed like just boiling it down to two, the convention center has made some significant investments in improving their technology for their convention Goers, investment in convention center going services, investments in improved and faster wi-fi, things of that nature.

[1:42:31 AM]

Then the number and size of their convention centers has really been growing and so over the last three years council has authorized a little bit more than 46 new positions. Also you've improved additional funds for temporary staff and overtime dollars just to keep pace with that increased conference traffic. Looking at some of the other non-general funds, there was a program related to tenant relocation which is funded out of our Austin code department, which is \$700,000. We put it here as a non-general fund expense because Austin code is providing the funds for that program. Council approved some additional funds. One and a half positions in our youth and family services program, which previously had been in the human resources department. When you approved these funds they were part of the youth and family services, and that allowed them to improve their program. And then finally for the colony park master plan. So that gets us to the final slide where I think we'll go back to Greg and he will tie up these three continuing conversations.

>> Certainly, thanks, Ed. I think we touched on it going through the performance data. There will certainly be a continuing conversation about homelessness. Sarah will be coming back I think soon to talk about the staff work, looking at the different homeless initiatives. I think embedded in that is funding. I think the idea is as both the plan as well as what's happening with echo come forward and matching up the funding with that funding discussion with that. And I think another key area that's popped out, a continuing conversation is affordable housing, which I would put first and foremost. The bond committee is finishing its work and there will be a discussion on bond election, specifically affordable housing will be a component on that. It was certainly part of the staff recommendation that kicked off the process.

[1:44:33 AM]

As well as looking at other funding strategies beyond the general fund dollars that are currently spent on affordable housing, looking at other property tax -- property tax funding through value capture such as tifs. And we have been working on that as well. And I think from our conversation yesterday as we look

at redevelopment opportunities, how to incorporate affordable housing into many of those redevelopment opportunities. So I think those two issues will be ones that we'll keep talking about over the upcoming months as we go through the forecast and on into budget.

>> Mayor Adler: I appreciate the -- the budget stabilization numbers you gave us too. Can you characterize those or break those out by the same six areas that the other funding is broken out? I think you broke it out by department. Did you also break it up by category?

>> We did. You may have to scroll over on your screen to the -- to your right. You should see the six outcomes.

>> Mayor Adler: Got it. Thank you.

>> This was a spreadsheet that we sent to mayor and council related to how our budget stabilization reserve funds, the expenditures you've made out of those funds over the last three years, how those align to the six outcome areas.

>> Mayor Adler: Okay. That was sent to us on Monday at 10:30. I think. Leslie.

>> Pool: Three quick questions. Slide 9, unemployment. I was just curious. There was a statement -- there was 9.6% unemployment rate around the domain area in district 7. And I was curious, do we have any census tracts in the city that have such a high unemployment rate? Because I know our unemployment is well below three percent so I was curious where that number may have come from?

>> I'm not familiar with --

>> Pool: You guys didn't say it.

>> I'm not familiar where that number came from, but I'm going to -- I'll make a note to look into that for you.

[1:46:37 AM]

I might have to check with our city demographer, Ryan -- demographer, Ryan Robinson. I don't know if we can get that at a census tract level, but we'll look at it. And what was the area?

>> Pool: It was in the domain area around the calla place. It was stated unemployment in that part of town was 9.6% which means that we must have negative unemployment in other parts of town in order for us to get down to 3.4.

>> This is obviously bureau of labor statistics national survey coming from both business -- I don't know that it gets agriculture gated down that that -- aggregated down to that level. The regional unemployment rate it really gets into an msa. We can certainly look into that. I would to reiterate our unemployment rate is currently at 2.8%.

>> Pool: And so this is my point. I don't know how someone could say that it was 9.6 in a particular part of town where I've never seen anything quite that definitive. I think if you could check. I think you will be



proving a negative, but that would help me because that statement is out in the public. And you guys did not make it.

[Laughter]. On slide 11 -- and all I wrote from my note was why? And now I'm not really sure what -- owe percentage of households paying more than 30% -- until I can remember what my brilliant question was, we'll put that one aside. And then on slide 12, the 7.7% vacancy rate, which seems to have held pretty flat. That's vacancy. So we have about 30,000 units back in 2016 that were available to be rented, but were not. Is that what that means?

>> Yes. I think it's in that same realm. Other elements to this as well, beyond this rental. There's the supply of housing on single-family as well.

[1:48:39 AM]

>> Pool: The reason I ask is we continue to hear that with the housing crisis, which I'm not saying we do not have, but we have to put another 168 or 70,000 units on the ground within the next 10 years, which is about 17,000 every year, but I'm wondering how does that then correlate with this 7% vacancy rate for residential units considered vacant? I would like to merge and marry those stats so that we have a really clear picture. When I look at multiple listing, you know, for real estate, they talk about all these new apartments that have just opened, for example. And we've had hundreds, if not thousands of new apartments put on the ground in the last three to five years, but that doesn't -- that reality doesn't seem to be combined with our strategic housing blueprint information. And now this is here and I just want to get a realistic picture of what is really going on.

>> I think there is an opportunity to broaden out because there are -- I think there's multiple market metrics and then metrics looking at affordability around our housing. And I do think there's an opportunity there to blend them and be consistent in how we cross those. Because it is -- perhaps there's some data that is not having the full context to it. I think I think it's a real opportunity.

>> Pool: Otherwise there's a fear factor out there, which is a tremendous motivator which can be used for various agendas and motivators. I want to give the public in Austin the real deal. And if we have a tremendous housing shortage, then we absolutely have to go at it full speed. And I think we do need to go at -- in those areas that are lower cost because the market is driving the cost of the units that are out there. By the same token, if we actually have a vacancy rate that's almost eight percent and that's been holding for some time, that also has meaning.

[1:50:46 AM]

Don't know what it is exactly. It may be nothing. It may be a blip. But it was enough that you guys felt like you needed to present it to us and bring it to our attention.

>> Some of the stories behind the data are still under development. New data are available to all of us, new ways of looking at things. I would expect it's a similar story to the city's vacancy rate that comes up often that we have 12,000 authorized employees and we run a vacancy rate of 7% to 9% and almost nothing we can do to get it down to 0%. It's a treadmill of attrition and it takes a while to get those positions filled and even though we have a vacancy rate of 7% to 9%, everyone in our department would say they have a staffing shortage. And similar, in a housing market, a big city like the city of Austin where I think we absolutely have a housing shortage, particularly of affordable housing, that's a different story than to say we're ever going to be at 100%. There are, you know, people move, they come to the city. There's going to be units that stay vacant for a while, they need to be cleaned before they can be rerented. A lot of things go into renting a unit, right? Your hotels are never going to be 100% occupied. The occupancy rate will be 80%, 85% might be high for a hotel. We're going to look into that and work on the story but I suspect it's somewhere along those lines.

>> Thank you.

>> Mayor Adler: Ms. Houston and then Pam?

>> Houston: Thank you. On slide 10 where we talk about - the percentage of residents living in the poverty level, do we take into account that might be going down because poor people are moving outside of the city?

>> So, again, this is coming from the census bureau survey INH so we can dig into that to see if they're trying to attend to that issue if people are moving out, we can get it down to looking at overall income within the boundaries of the survey area and see if that's shifting but we can get that, councilmember, to see if there's kind of sub data on that to help us understand that question.

[1:53:10 AM]

>> Houston: Okay, I would appreciate that. This doesn't have to do with general or nongeneral funding, but on 17 where we talk about homelessness and issues, does anybody know the status of -- I think -- was it the Bloomberg foundation gave us some money to do something about homelessness? And I haven't found out who that person is and what they're doing with the funding they received but it had something to do with homelessness. Don't rush.

>> Councilmember Houston, that's Carrie O'Connor. And I will have her do a brief update on the progress of where they are, ask her to do that. And work with my friend here, Mark Washington who oversees that department. And have them provide council -- mayor and council with an update.

>> Houston: Thank you, I'd appreciate that.

>> Kitchen: Okay. I have just a few questions. On slide 6, I want to make sure I'm understanding that. Am I reading that right? See, where is slide 6? No, not slide 6, it's slide 8. So of the 6.5%, does that indicate of this subject area, the economic opportunity and the affordability outcome, 6.5% of our funding is going to projects being categorized under that outcome? Is that the way to read that?

>> It says in the budget allocated to this bucket, of that, 6.5% is general funding.

[1:55:16 AM]

>> Kitchen: Okay. But under it says Austin public health and housing development.

>> Those were the numbers I talked about previously that were directly allocated to economic opportunity and affordability.

>> Kitchen: Okay, this is one of those outcomes, we'll have to think about it more as we get to the budget, this is one of the outcomes that has so many different subject areas under it. So I was originally thinking trying to equate the 6.5 to the percent of funding and housing and homeless and employment and all this under there thinking of how the funds ought to be used in this category. But I'm hearing this is really not going to be the indicator for us. Because we have so much coming out of enterprise funds so this doesn't tell us how much of our budget is going towards this outcome. So, I guess we'll think about that when we get to the budget process?

>> Yeah, we could work on that for you. But I mean the answer is if you look at the budget, if you're talking about the general fund budget, it's a small percentage of the overall general fund budget is coming to this outcome. Again, I would remind folks particularly because of neighborhood housing, the bulk of the operating funds come from federal grants and then the bulk of their overall investments come from voter approved bond programs. Neither are at this 6.9%. In all you can get to the capital alignment, you can see both sides of the picture. The capital alignment could look very different.

>> Kitchen: That's right. So when when he get to the process that when he talked about in terms of prioritizing with the budget, we'll be looking at both the capital and the -- and then the -- other kind of funding. Do you see where I'm going? I'm trying to -- I'm trying to -- and I'm just flagging this as a potential question at that time. We don't have to answer it right now. But I'm trying to think through how we will work our way through prioritizing our budget for this particular category when so much of this category may not be in line with how we're talking to our budget.

[1:57:30 AM]

Does that make sense?

>> It does. The focal point of trying this is going to be on the general fund. That's where they have the most discretion, the most latitude to move funds around. The prioritization is going to be primarily along how do you think that budget, that general fund pie is being allocated. Do you like the way it's allocated between safety, health, economic opportunity or affordability? But would you like to see the pie slices shift? As we move forward, it will be an interesting conversation with the capital budget as well. To larger extent, the capital expenditures come through the bond programs and the bond programs you approve, but not the bond programs you already approved. Those are kind of already set through the bond propositions and whatever bond covenants may be out there. But through the future bond programs that you're going to approve, the bond program is being -- currently being considered by

a bond task force for fiscal year 2018, I think, having a prioritization exercise along these lines before that bond program gets finalized would be really valuable.

>> Kitchen: Okay. My second question is on slide 17, that's just really about chanting conversations. I'm thinking in terms of the conversations about the economic incentives and the changes that we are going to be discussing and considering to our economic incentive program. I think that would fit under this bucket. Would you agree?

>> Agree 100%. There are elements, we're coming back in April. The date is from the follow-up from December. I think some of the buckets is really about the understanding the incentive. Not only to talk about business retention and attraction, but it's also getting to the idea of creative space. So it could be -- the incentive policy itself may end up bridging, I think, in a positive way some of these outcomes.

[1:59:34 AM]

>> Kitchen: Okay. Okay. Then my last question is just -- let's see, slide 14. I'm just not remembering. The neighborhood plan process pilot. Maybe you could just point me to where I could -- I'm not remembering what that pilot is. So can you help me in terms of just telling me where to look for that?

>> You'll find a discussion of that, I believe, in the fy-18 budget. It could be in the planning and zoning department.

>> Kitchen: That would be great if it's not too much trouble for you.

>> Yeah.

>> Kitchen: Okay.

>> Mayor Adler: Alison?

>> Alter: Thank you. I have a question on page 10 with the data on the poverty level. So during the planning discussion, one of the issues that I brought up is we might see a reduction in the poverty level and it's because of displacement, not just because we've improved anything. So can you help me understand how we're going to get at the question of understanding this trend over time and whether we've actually improved things by reducing the poverty level or if we've displaced the poverty to our neighboring jurisdictions?

>> I think as we talked about this as we crafted this taking the overall strategic plan and outcomes and metrics, the first blush is to look at the metrics that we have available to us. And I think as we grow them and look at trying to expand them and look at data subsets, I think that's exactly what we want to do. This is something that when he eve had. We have this information, I'm going to see where it's tracking from imagine Austin. Our ability how is it for folks leaving the city limits and no longer in the survey.

[2:01:38 AM]

That's the work we need to do. But I think we need to understand it would be valuable to try to tease apart the kind of components of kind of the shift share of how this is happening. Data coming from the census bureau, we're not putting out the surveys ourselves but trying to disaggregate it. We can certainly try to look at that.

>> Okay. I have larger questions about how we're using the metrics because the budget part seems to be talking about the spend and if we're going to get to a point where we're going to prioritize among strategic outcomes. We have targets and we have to be able to see the trends. And I'm not quite seeing how that's if sitting into the process. And I might save up for the end of the three discussions and that I would just foreshadow that there's a piece of this puzzle that I'm not seeing yet and I know we're making this up as we go along by trying to move forward with this, which I appreciate so that's not criticism. But I have to be able to see how we're going to prioritize and we can come back to that later. Today. I asked before to see the enterprise fund and the general fund broken out. And ask to see that in greater detail when we have this dwarfing everything else, it makes it hard to understand what we do have control over with respect to our general fund decisions. So I would want to see the general fund for this cat ghoir of 6.5%. And I believe that count councilmember Houston last time asked that we needed to have dollars spent by each department as well.

[2:03:41 AM]

There's a need to move in the direction of the outcomes. But starting to get worried that we're going to be obscuring our ability to make some decisions without some of that departmental detail and waiting until we get the budget in August to begin to see that may not be the right balance in this -- in this process. At the end of the day, we need to see what we're stopping do do instead because we have these outcomes and strategies. It will be a real high priority how far we move forward in this budget process for it to show us that. I'm not seeing that yet. I know this is an evolving process. But for this to have value, we have to see we stopped doing this and started doing this. And I worry that we're not necessarily having those conversations and I think we need to be able to have those conversations and they can't just be that the city manager's office is having those conversations without us having any input.

>> May I clarify. We were here two weeks ago, we talked about how the general fund broke down. Are you looking for all of that backup detail or is it referring back to the chart that we've given sufficiently. Which one are you looking for?

>> Two parts of that data request. We need to know what's that pie break down for the general fund. But not just the percentages of the general funds, but the dollar amounts by department. And we need that for each of our outcome categories. Because if what we're saying is the thing that we have most control over the general fund, then we need to see that drill-down.

[2:05:41 AM]

While it's useful to build percentages, we need to have the dollar number and those figures and I understand you're going to be providing the fte numbers that I requested in the future. But we need to be able to put all of those pieces together if we're going to get to the point where we're going to say we're putting too much money over here and we should put more money over there, simply talking about it in percentages, or if we don't move anything from the utilities buckets, that's going to be important for that type of movement. Does that clarify?

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

>> Tovo: Just a couple of thoughts, flash points. With regard to the vacancy rate for housing being about the same since 2013, I guess it's also important to note that in the survey we just talked about one of the highest levels of dissatisfaction with how the city is managing growth. So it's important to point that out. Things are consistently the same but the city is not happy with how we're managing growth. That could be interpreted different ways. But it could also be interpreted to discuss how we're managing jobs and job creation. And the low unemployment rate is a good thing, but there constantly needs to be work to make sure that stays low, to make sure that we're still creating jobs. And specifically, creating the types of jobs that help those in need the most that are low entries to barrier -- low barriers to entry.

[2:07:42 AM]

Anyway, I want to make those points.

>> Mayor Adler: Mayor pro tem?

>> Tovo: I had a question. The \$242,000, full participation and the homelessness outreach street team, my assumption is that's just a fraction of the actual cost of staffing that I'm -- because as I recall, the police department was -- was doing this within their existing budget. Ems was doing this within their existing budget. So this is just the portion --

>> The additional funds are added to the budget for that program. We're not capturing here the police department reallocated resources from one area to this area, we didn't capture that.

>> Tovo: Okay. I think it would be helpful to have the detail because there's an interest in potentially having more than one homelessness outreach street team and it would be helpful to know what the full cost of that team are because that would likely be what we would incur were we to expand that program. Then my other question, do you have the detail on the 46 -- almost 47 positions that have been added to the convention center in the last three years, when those were added over the last three years?

>> No, not in the notes I have, I don't have the years for them. But we can provide all of the details about when they were added, what positions they were, and what they were for.

>> Tovo: Thank you.

>> Houston: Thank you. Back to page 9, councilmember Garza, poked me to say are these -- you may have said this and I was out. Is this citywide unemployment rates or is this regional?

>> This is in the bureau of labor statistics and it's the -- this is Austin, there's an msa.

[2:09:43 AM]

And this is the city of Austin numbers.

>> Houston: So is it possible that there does not speak to age groups or demographics. There are some age groups in my area that this is double digits. It looks good overall but there are pockets where it does not look good. Can we disaggregate data?

>> We can see where that's available and get that out as well and include it as we've done on the other slides where there's that status upset, we can include that and attach it so it's all together. If it exists.

>> Houston: Thank you.

>> Mayor Adler: This is the statistic that led the conversation on disaggregating because 2.9 looks really good. But we have obviously drafted a lot of the priorities to get to the dising a regaleatied numbers -- disaggregated numbers. Anything else on this? This looks good, thank you very much. Good job.

>> Next, we're going to move on to the mobility discussion. We can squeeze that in before the lunch break now. It's the exact same format we've been using, start off with the pictures of what goes into mobility. So you can see in the pictures, this outcome is about street infrastructure, mobility programs, the works and transportation department, and also our airport operations are the big pieces that fit into the mobility program, which I forgot to mention is getting us where we want to go, when we want to get there, safely, and cost efficiently. Five indicators, consistent efficiency, transportation costs, accessibility to and equity of the multimodal transportation choices, safety -- so we do have a safety outcome, but the safety programs related to transportation were mapped to this outcome because council had a discussion and the decision was made for transportation safety measures to be included in the mobility outcome.

[2:12:05 AM]

And then finally, condition of transportation related infrastructure. Robert's going to mention the same thing I'm sure when he gets to the performance measures. But a lot of this is still in progress and under development awaiting the completion of the strategic mobility plans. We do have some measures in here. We want to reiterate a couple of times in the presentation, these are not necessarily going to be the final measures, we are just going to have something to bring forward for the conversation today. Big picture, public works, Austin transportation department and aviation are the major components of this outcome, 59% from public works in Austin transportation, 35%, aviation, and in this case, that other

piece of the pie that equals 6% is largely related to traffic related activities and dwi enforcement in the Austin police department. And here are the details.

>> The 90% of public works for mobility is the maintain the streets, right of ways, urban trails and crossing guards and child safety as funded through the child safety program and most of the capitals projects mobility costs are included in mobility. Aviation is 70% of their operations to mobility for their airport operations, parking, and facility management activity. The rest of aviation was for their air and fire and rescue and airport security that went into safety and their leases which went into economic opportunity and affordability. Also a portion into government networks for their I.T. And so as I mentioned because the -- because the safety component of mobility is included in this outcome, Austin police department has 2% of their budget being mapped here for half of their dwi enforcement, for the traffic management components, and for the motorcycle patrol through school Zones.

[2:14:21 AM]

So the only component of atd that is not included in mobility are for half of their special events offices, which was in culture and life-long learning and for the air quality program that went into the health and environment app -- outcome. The final 2% of the mobility outcome is comprised of senior transportation services and the trail maintenance, Austin energy's electric vehicles programs and incentives, and dsd's road-related inspections and concrete contract -- concrete testing contracts. So, while this outcome is not the smallest in terms of the budget allocated to it, it does have the fewest number of departments going to it for all of the reasons Ed talked about. We have the three major enterprises that make up 94% of the bucket, the last 6% is for general fund at 5% and Austin energy at just under 1%.

>> We're still developing the the metrics as part of the strategic mobility plan, these are things that we're going to show you we tracked for years and we're going to expect to continue to track those in some form. For example, this will hit the infrastructure condition, this is the street lane miles by classification and we expect to continue to track these as we move forward. This is from the citizen's survey you heard previously, some daunting challenges we have in this community. Both from the regional aspect and the city of Austin's aspect on traffic flow. We continue to track this perception, this rating from our citizens on how they're perceiving the traffic flow on major streets and hopefully you see a minor pickup and we would hope to see this go up in the future is where you all continue to invest, really this is more in the capital side of things than the operating side, you continue to invest in, for example, the 2016 mobility bond as we -- as that comes to fruition, we hope to move this needle in the right direction.

[2:16:49 AM]

You can see a slight increase -- this is from the citizen's survey, a slight increase in this year and primarily from the investments you authorized in the Austin transportation department for their signal timing program and their smart city side of things from the monarch and their operating system. So we hope to



continue to move in this direction, the right direction as well in the near future for the traffic signal timing as well. We expect this would be a metric that we would have in the strategic mobility plan as we move forward. And moving to a more positive side on the airport, the airport tracks the citizen survey, their customer rating two different ways. They have a service quality survey that they have done for years that measures satisfaction for airports across the country and they're typically in the top one or two in the airports of their size. And they really track from their customer's experience in the airport from the excellent standpoint. You can see in 2017, 45% of the folks -- see if that number is right. Can't see it from that, 45% of their customers rate their experiences excellent in the airport. They're very excited with that. You saw a decrease. And the citizen -- the customer experience will be a little bit challenged as Jim mentioned in his presentation that the airport will be under construction for the next 10 years, something will be under way to handle the traffic flow they see. So I was expecting they'll see a little decrease in their surveys, but they've been doing so well over the years, that's going to continue that trend. And again, you saw in the community survey, that's one of the top-rated services that the city provides is the experience at the airport.

[2:18:51 AM]

>> Just going to continue in to some of the highlights of the new investments in the last three years and the mobility outcome. There's been quite a number of them. We've chosen to kind of categorize them in chunks, first talking about the Austin transportation department and their mobility corridor and arterials program. The city council approved in the last three years, \$4.9 million of one-time funds. We characterized them as one-time funds. But characterize them more for short term. A lot of these are contracts. The strategic mobility plan is one of the contracts we're funding out of these dollars as well as the mobility safety plan. But a lot of it is just staff augmentation. A lot of the mobility programs are behind the curb and have a backlog of work they've been relying on contract work to deal with that backlog and here related to the traffic management center of operations. We have a contract to augment our city staff that work in that area. Seven positions were added for mobility programs, these are specifically related to traffic engineering as well as data collection and analysis for planning purposes. And with regards to our traffic signal system, again, some pretty significant investments there. \$2 million for way finding projects, new traffic signals, we increased staffing by 10 positions in this area. As we add more signals, more maintenance to do. We increased staffing there. Park and management, we added six positions to enhance the overall parking enforcement as well as 13 positions in the right of way management in the ground transportation activities which is highlighted in the highway management and ground transportation. These are not programs being funded by the transportation utility fee.

[2:20:51 AM]

These are actually being offset by charges for services for the individuals that are using those services. A lot of them are development activities where they need to have -- take an access on the lane in the

construction process and they have to set up barricades. We're charging those businesses for those services. So this is not an area that's having an impact on our citizens. And in the category of development, we put \$2.2 million in the budget for engineering and traffic impact analyses. And then \$400,000 for the bike share expansion program, which I believe was specifically related to the -- to the B cycle station expanding and adding more of the stations throughout the city. Moving on to talk about public works. The infrastructure maintenance and capital renewal areas, we added \$3.5 million just for asphalt overlay, bridge maintenance, Ada ramps, just doing more of that type of work. Eight positions were added to address utility cuts to backlogs and \$5 million of one-time funds. I want to highlight that was related to the Austin water utility that had a significant backlog and cuts they're trying to impress. They're working in that area. You need to ramp up will the work the public works department does to go back and repair the streets. A lot of that is done by contract work because we don't anticipate it to be an ongoing situation but it will be there for a couple of years. In regards to capital delivery, we've added 11 positions. As bond programs increased, we needed to ramp up that area of the business. And we created a two-person product systems intelligence office which is really spearheading ways that we can improve our capital delivery system.

[2:23:03 AM]

Last one of these in regards to aviation, I could have put together a long list-of adds to the airport. Everybody who's been out there understands they're rising to new levels. A new historic high, great news for our economy and the tourism industry, but it the us take a lot of staff to run that airport. So they added 88 positions over the last three years to keep pace with not only the growth of the passenger traffic, but all of the growth in the facilities, you know, new terminals, new Gates, new parking structures, new car rental facilities. So there's been a lot of activity out there and we've been adding staff to keep pace with that growth and activity. In this area, we tend not to have conversations because as we look through, it's all through the capital budget. We daylight things that we anticipate are going to be conversations that likely are going to continue to occur as we advance with our development of our fiscal year '19 operating budget. I think there surely will be discussions about mobility as well. But I think those are probably mostly happening on the capital side of business, both related to the 2016 mobility bond as that continues to get implemented and rolled out. But also in regards to the potential 2018 bond that's currently being worked on by your bond election advisory task force. So that brings us to the end of the mobility presentation. And we would be happy to answer questions and have a discussion with you.

>> Just as an observe separation, I think it's interesting that a lot of the categories you had so far, there's data that we've been tracking that goes to the metrics that the council identified in the strategic planning and some data that we identified that we don't have. But in mobility, in the things that rate highest in the -- in the public survey, it's the least amount.

[2:25:17 AM]

I'm excited that we take it up for that because you do best on things that you measure and watch. If you don't measure and watch, it doesn't get the same attention or resources. So I'm excited to see us identify it that way. Ms. Houston, Ms. Pool, councilmember Garza?

>> Houston: I have a question on slide 4 about the the school crossing guards in public works. Is that what this is saying?

>> That is a program that's operated by our public works department.

>> Houston: Okay. That comes out of the enterprise funds? To pay for that? Or the general funds.

>> It's the transportation user fee. We don't use those funds to fund that program. That's funded through state funds. School districts one of the big sources for that program.

>> Houston: We don't use any general funds for the crossing guards to pay for the --

>> For the user fees. Their salaries come from the funds that the state gives us.

>> Yes, and also traffic violations that occur in school Zones, that money flows in that as well. So unless you're speeding in the school zone, you're not paying for the crossing guards.

>> Hold on just a minute. This is an offline push on page 5 regarding the last one, two, three, four -- development services and the egress and ingress of subdivisions to major roadways. That's a conversation that we'll just have because there's so many places have one way in, one way out.

[2:27:27 AM]

We're not even addressing them getting out to a major roadway. So I'm not just highlighting that. And then -- we're doing better about that now. But historically, we didn't do better on that. And on page -- slide 12, parking, right of way management, the sixth position. So is this funded through the enterprise fund, but how much residue does that bring in?

>> So the -- the fees you pay -- so if you're going to go to a parking meter and pay a fee, that goes to run these programs. But the fines, if you let it expire and you get a fine and those flow into the general fund. I would have to check. I would have to get back with you in regards to the amount that that is -- that comes to the general fund.

>> Okay. I think that would be helpful because those six positions, I understand people are not paying their fines. And so we're losing money. If I'm wrong, please correct me.

>> These positions are funded by the parking fees, not the fines.

>> Houston: Okay, what are we doing about the parking fees that people are not paying? As far as getting additional revenue.

>> The way we get to pay those fees is to enforce the meters and fine people when they don't have them. So we have them in regards to what they feel their fee recovery is for the meters. In regards to the fines and people who don't fine their -- don't pay their fines, there will be warrants on those people

if they don't pay those fines and judicialing action. There are just going to be people who do not pay their fines and we can find out what the success is in collecting those funds.

>> Houston: The only reason I ask that is there are people in the service industry that work downtown. And I have complaints from them because there's not a lot of turnover.

[2:29:29 AM]

People can park for all day and get a \$25 fine. And yet they have no place to park when they go to work down on 6th street or wherever they work. The --

>> That's a good conversation. You are correct. Some people just decide that's a good eight hour -- if I have to pay \$25 or for an eight-hour ticket.

>> Houston: And these are folks who don't have the ability to park where their jobs are because they're low-wage employees.

>> Thanks. I want to refer back to page 13 and the community survey we're talking about when we were talking about satisfaction, dissatisfaction on the major highways and the larger city streets. Another area that could play into the dissatisfaction is when public works or the water utility or transportation department got away or dig up for the utility lines to replace water -- waste water systems or segments, it can take years for those streets to -- for them to be complete and for the streets to come back and actually be paved. And so there are various neighborhoods that live for significantly long periods of time with, you know, one-way street in and lots of mud and all of that. So I'm glad to see -- but we need to do the work. So the question is how quickly are we able to move through to do the work. So I'm glad to see there is some additional -- there are some additional ftes being brought to bear for that issue. And maybe when we get to buttoning up the budget, if you guys could kind of focus on that and make sure that the work crews that we have available to go out and do that work are sufficient to the task so that we can try to reduce the amount of time neighborhoods are inconvenienced because we are doing this major, major work, which we need to do so it's really just them living through it.

[2:31:29 AM]

>> And that's one of the first things that -- the utility cutback on it. It normally hits on the traffic flow, but we've got really low ratings on the maintenance of streets too. And that will definitely hit on that.

>> And I think some of that may be showing up when we're told we're talking about Lamar, they're thinking about Justin lane or something like that. So -- that's great, thanks.

>> Alison?

>> Thank you. I wanted to pick up on a point that councilman -- with respect to the crossing guards and you responded that that's paid for in part by traffic enforcement and school Zones. Where would we get

the data on the trends and that traffic enforcement in school Zones because I hear people complaining all the time that there's no traffic enforcement in school Zones and that they want more crossing guards. So I'm curious how to get that information about the strands, the traffic enforcement in those school Zones if that money is in fact going to the crossing guards and we -- I don't know whether we have a shortage of crossing guards, I just know that people ask for more crossing guards so I would like to be able to dig more into that. More broadly, I'm concerned about the traffic enforcement we saw on the survey, they're concerned about whether traffic enforcement is happening. We lack traffic enforcement. We're putting in speed bumps, people don't like speed bumps, there's a whole knock-on thing that's going on. And on top of it, there are complicated questions with interrelations and justice issues as well, I don't know the answer but I want to highlight that we are losing something like \$2 million of revenue to our municipal chart because we're not dealing with the traffic enforcement and that's \$2 million from the general fund that can't be spent elsewhere. And I'm not sure how you get a resolution to this. I understand you don't want to use traffic enforcement for revenue, but there is still, nonetheless, a connection across all of these things and we have set up a system where we're funding our municipal court from our traffic enforcement and if that money is not there, we're spending general fund dollars on that and not on something else that we might care about.

[2:33:47 AM]

I would like to tell them to stop to see if there's a way to figure that out because we might wind up with a more optimal outcome if we can provide that enforcement and have the funds to do a lot more other things and addressing the issue that citizens have raised in the survey that they want more traffic enforcement. There are a bunch of issues that come together there, but I would really like to see if we can come to some direction there. And it's not simply just the matter of we don't have the officers to do it. Even if we don't have the officers, we would have funds to do the officers if we did the traffic enforcement, we wouldn't have to be paying the money to municipal court. So is there's some kind of chicken and egg thing going on here. And I would really welcome some folks who have thought about this issue more than I do to resolve this puzzle.

>> There's a chicken and egg situation. We have seen situations in the last fiscal year or two where APD has had some challenges in recruitment and filling their vacancies and they have less noncommitted time. So when you're choosing between traffic enforcement and rep responding to a true emergency, they're responding to the true emergency. So, we have certainly seen when those police vacancies go up, traffic citations come down and revenues to the general fund through those traffic citations come down. So I mean there's an aspect of this of just the timing of the cadet classes and success and how many qualified do we get to get those positions filled. That's part of keeping the officer surveys and it does impact that dynamic. And we're in a situation where we have 100 and 120 vacancies in the police department at some point in time, there is a good likelihood that there may be less traffic enforcement when those vacancies rise to that level. So it's something we do monitor and I know the police department works to keep their positions filled.

[2:35:53 AM]

In regard to the data on the traffic enforcement school Zones, I think that would be a fascinating question. I don't have it on top of my head, but I'm sure the police department -- we could work with them to get that data. So we'll take that here and pass it on to the police department and get a response back to you.

>> I think that's good continuing conversation on the traffic enforcement. You may recall, don't block the boss campaign. We have a dedicated unit that's helping us with that. A dramatic decrease of people violating that rule. So, again, it's just a staffing thing, it's a great conversation because it is a lot of chicken and the egg. We have more enforcement and less -- less of a traffic issues that would help on the mobility sides.

>> Can you also provide the trends over time on the -- on the more general traffic enforcement, not just the school?

>> Yes.

>> Just a thought as we head to the the conversation about the survey and as we're having this conversation, I don't know if city staff has ever done this before, but if there's -- I know it's limited bandwidth everywhere, but if there was an opportunity to do like a follow-up survey. I think it's great that we do those biggest issues and biggest challenges. Those sound like traffic, how we're managing growth. But do it in a way where -- where we're able to educate the public and say, okay, you said that traffic is really bad. Here are ways the city can help that. We could do transit priority lanes, you can get on the bus more. We could do all of these things, which of these would you be willing to do. Turn it around to the JFK -- ask not what your country can do for you or what you can do for your country kind of thing or Jerry Maguire help me help you.

[2:37:59 AM]

Just an opportunity because I think a lot of times there's so much -- there's pushback. People don't understand the relation between I had traffic but you better not put a transit priority lane anywhere near me and how they're so tied together and how -- you know, and that people living closer to transit, would you be willing to pick your apartment based on how close it -- within walking distance it is to transit? It would be great to get that feedback from the community and provide the education point. Here's what you said is not working. Here's what you can do to fix that. This is how you can help us fix that. Here's what you can maybe do. And I think we can provide those resources. Interesting to know and a good opportunity to educate the public.

>> I agree with that. I think it would be very interesting. We've done once, with my tenure with the city, we did once, we did focus groups to better understand the results of our citizen survey. It's a perception-based survey. It's descriptive, not prescriptive. So, for example, we can look at the survey results and, you know, if you looked at them 5 or 6 years ago, you can find out people were not satisfied

with code enforcement efforts. We don't know if they're satisfied because the enforcement efforts are too strict and rigorous or they're not satisfied because they're too lenient or some combination of the both. Focus groups can help us understand that. There's a great example in our parks department that we weren't doing well in terms of public perceptions about safety in our parks. So our focus group question is what is driving that? Help us to understand it. Is it the quality of the playground equipment or there's graffiti on the restrooms and the restrooms are dirty and a public safety presence. What we found out is there was a -- it was a personnel presence but it doesn't necessarily have to be police officers, right? Our consultants did a great job on these focus groups able to drill down with the different focus groups and understand it's not about necessarily having a sworn officer in the park.

[2:40:08 AM]

But just having parks personnel on a bicycle with a first aid kit. That led to the development of the park ranger program. It's been successful. We've seen improvements in that metrics every year since. So it's a bandwidth issue and a cost issue. These things are -- there is a cost of doing them. There's a science to doing them well. But it's a conversation we need to have with our office of performance management and our city manager about, you know, these are some of the areas we really want B to understand better, that's an avenue that we could absolutely pursue. We do engage the community as best we can. Here is what we're going to be doing, the corridor plan, the settings. I get what you're saying. Not the same people. But we are trying to engage the community on here are some of the things we're thinking about doing, what do you think about it?

>> Yes, I would be very supportive of funding necessary to support some kind of focus groups, because, you know, as a cap metro board member, there's a thing we see all the time. This many people -- this is how congested it is if it's one person per one car. This is how it is if you put a bunch of people on a bus. Seeing that image over and over again is educational. But I'm seeing it because I'm a board member. But if the public was able to understand how we can address these issues and that it takes not only a change in city stuff but individual behavior, I think Austin is special in a way that austinites would be willing to help. They just need to know what they can do to help us.

>> If you look at the citizen's survey, if you really want to spend some time, look at the comments section where you say what should you do. There's a lot of information on the transit investment side.

[2:42:10 AM]

You should improve this. That's a lot of detail. Because the survey questions were specific, but then we asked one leading question -- what should we look at? And we got a lot of interesting comments on what to look at as a city. It's a lot of information, but if you -- in your spare time, you can read it.

>> I want to continue the conversation that you had with Leslie pool. On the street repairs, I've noticed I've been getting a lot more calls, a lot of development in my district, tearing up the streets to put their

water lines or sewage lines in. And I've been seeing the quality of repairs and they're not city employees. They're doing the work of the contractors. The quality of work has been bad. They leave the streets in -- in really bad conditions. With potholes or bumps. And I wonder how does that affect our budget. Y'all happen to go back out there and take a look at it and you have to contact the contractor, is that causing us any kind of money in doing those kinds of things?

>> The short answer is yes. The street infrastructure just to maintain it without those cuts is a challenge. When you start all of the development and the waterline in our own facilities, when we start cutting the pavement, the worst thing you can do with the pavement is let moisture in the base. So when you start cutting it, what you'll see in the operating side, we need more money, and the capital side, you need more money to maintain this infrastructure. It's deteriorating because of one the traffic and two, the cuts in the pavement.

>> They have to charge a fee when they cut into our streets.

[2:44:17 AM]

Is it sufficient enough to cover that. There has to be some way to say, hey, you can't use this contractor because he does a pretty bad job out there in repairing the streets. It's costing you money, it's costing the city money. Do you keep track of the complaints and go back to these contractors or whoever is -- has responsibility. Is there an application they have to pull out and identify who's doing that?

>> They have to get a permit to do that work. I don't know if we're tracking on the quality of services. That's another continuing conversation we're looking at.

>> Yeah, it would be very interesting to see how -- if there's one company out there that's continuing to do really sloppy work. And just leaving the streets like that where people are just going to tear them up again.

>> Jimmy, then --

>> I'm experiencing the same thing in my district. It might be one of the few universal things in every district where you get the roads cut up and then the neighborhoods is following. I want to follow up on the relationship between traffic fines and the ability to put cops out to do traffic enforcement. Has there been a financial analysis of the costs of traffic enforcement related to the fees collected to traffic enforcement?

>> No.

>> I think of some of my neighborhoods to hire off duty city cops to do it. So it's a high cost and not even keeping the fees in the neighborhood. So if you adjust the cost of having the officer out there, plus the costs in the court to adjudicate those, if it doesn't change, I'm curious to see what the numbers look like, the overlay is how does this impact the resolutions on indigent defendants and traffic fines related to low income residents.



[2:46:26 AM]

So I would be reticent to want to see us look at traffic enforcement as a revenue stream, but my instinct is that it isn't now. But I would like to see a little more deeper dive into that analysis.

>> Kitchen: I had a follow-up question to what councilmember Garza was talking about. So on the surveys, if we get the information back, do you know if we're able to identify the people? Or does it come back? In an unidentified way? If we had the resources in the mechanism, can we reach out to the individuals?

>> We do ask the question if the respondent would be willing to participate in the focus group. If they respond, we have the ability to recontact them and use them in a focus group.

>> Kitchen: I'm thinking of something beyond a focus group. I'm thinking of some way -- I'm thinking of different avenues to actually be responsive to them specifically. Particularly if their comments indicate suggestions or concerns and things like that. Again, I know it takes resources and I'm not sure what the order of magnitude it is in terms of talking to who responding to. The best response is the individual saying I see you noted a problem on X, Y, Z street. This is what happened with it. I see you noted you wanted more transit opportunities, here's what we're doing. That's pretty nice feedback to be that direct. But I just don't know what the capabilities are. So I would just encourage you all to look into that. I would also -- I personally would be interested in understanding if it was possible who those folks were in district 5. And if we can get that level of information about the names.

[2:48:29 AM]

And we try to be -- everybody tries to be as responsive as we can, but that might give us that possibility. So I'm just encouraging you to go beyond just exploring focus groups. So I think focus groups are very useful to get that additional level of detail that you described. But I'm also thinking if it's possible to find a way to show that person that we heard what we said.

>> We'll get those. Not waiting for this street to be leaving.

>> Kitchen: Right, yeah.

>> So if it's in the near-term projects, the departments look at all of those comments. And then ask, I ask, my departments, where's your action plan to address some of the comments you heard. So we won't respond back to the individual and say we got your concern about X, Y, Z street but we'll go out and do the work to repair that.

>> Kitchen: But could we -- do we have the data to respond? That's my question. Do you know who those folks are? So --

>> I think it's more -- I think it's more --

>> Kitchen: You can answer that offline if you're not sure right now.

>> I think there would be an issue, trying to think through the information that we give to the respondents about their confidentiality. But we could add a check box if you're interested in having the city get back to you on a survey or something like that.

>> Kitchen: Yeah, so it's more than just -- people may not want to participate in a focus group but may appreciate some context. Just think about that.

>> Mayor Adler: Delia.

>> Garza: I could see -- I guess I would be concerned about anonymity. When it anonymous they're willing to be more candid. And it's such a long survey, if I filled out a long survey and I got followed up, I would be like, gosh, I filled out your survey.

[2:50:29 AM]

What else do you want?

>> Kitchen: Yes, but if I raised a question and it just went out and -- if I said this is a problem on my street and I never heard anything back. So if we give them an opportunity to check off and say that they want --

>> Garza: If they want. I just wouldn't want us to be able to --

>> I agree. I would want to add that check box. I can tell you from the community engagement task force one of the things we've learned is that closing that loop is something we need to improve on. So I think it's a good idea.

>> Garza: And I guess naturally people who are -- people who would really appreciate that kind of feedback are also the people that will pick up the phone and call. Anyway, I would -- I'd be concerned about anonymity and I think it's great the question do you want to be in the focus great. That's great and they would have the opportunity as well.

>> Kitchen: I have experienced people who don't understand that -- that don't feel empowered to pick up the phone and call or don't really understand that they can ask for that help. I agree with everything you're saying in terms of letting people keep it anonymous, but just giving them the opportunity --

>> Mayor Adler: Sounds like people like the option of putting in a check box, some way for people to be able to do that. Alison?

>> Alter: I wanted to raise an issue of coordination. I don't know how this exactly fits in budget, but one of the things that we've been experiencing is that they come in and they do an Austin water project and necessarily do it right after -- they do it right after atd has come in and put in a roundabout. And they cut up the roundabout and cut up the street and it takes like three years to get put back together. But nobody coordinated doing the Austin water project before they did the roundabout. And I know there's been discussions about that with respect to mobility bond, but I'm wondering how much we would save if we had a better coordination system.

[2:52:31 AM]

>> We're working on that. We have room for improvement, but that's been an issue for many years I've been in the public sector is that we have so many different programs and it is hard to coordinate, but that is -- you're spot on, it's what we do work on, sharing workload assets with the utility, especially with the public works department and transportation as well, but there's always room for improvement.

>> Alter: It's not even sharing. They go in and ruin what one group just did.

>> The sharing would be if you're beginning to do that, wait until I come and we'll do it together. We're always looking for combining projects, do them at one time, but they don't always -- aren't always successful with that, you're right.

>> Alter: I would be interested in learning more about how you're coordinating those things.

>> Mayor Adler: Okay. Anything else before we break for lunch?

>> If I could correct myself. I proudly said that unless you're speeding in a school zone you're not paying for the crossing guards. I forgot that we did start doing a general fund transfer to our school enforcement program in the wake of implementing the living wage that the additional wages for those crossing guards, we weren't able to -- there wasn't enough funds from the other sources flowing into that fund to apply the living wage to those individuals. So it's about \$830,000 of general fund money that supports the crossing guards currently.

>> Mayor Adler: Okay.

>> Houston: Thank you so much for -- thank you so much for that. My hair is gray and I thought we did, but, you know, I wasn't going to challenge you because you're the budget man.

[Laughter].

>> Kitchen: I'm sorry, Ed. You said that so fast I didn't quite hear. You said we are or aren't paying?

>> We are. Following the implementation of the living wage which we do apply to all of our employees, including crossing guards, we started a general fund support for that program.

>> Kitchen: Okay.

>> \$830,000.

>> Mayor Adler: Council, it is a little after noon. We're going to have one more of these presentations left.

[2:54:33 AM]

No executive session. We're just going to break now for lunch unless you want to continue on with the third presentation now. I'm seeing people want to take a break. Then what time do you want to come back? 12:45, 1:00? All we're doing is eating lunch.

>> Houston: Let's try 12:45 and maybe we'll do it by 1:00.

[Laughter]

>> Mayor Adler: 12:45.

>> Tovo: Are we really going to be back by 12:45, though?

>> Mayor Adler: Yes. 12:45.

>> Tovo: Okay.

>> Mayor Adler: All right. It is 12:04 and this meeting is recessed.

>> Kitchen: I may not be able to come back.

>> Mayor Adler: Hi. Are we ready to start with the last one here? It is 12:50. We don't have a quorum yet, but we're going to go ahead and start the briefing on the last of the three sections today. Mr. Van eenoo.

>> All right. So the final one is government that works, which was articulated as believing that city government works effectively and collaboratively for all of us that is equitable, ethical and innovative. There are a lot of things we do in this area, including our 311 system, which interestingly is always one of the highest -- in terms of customer satisfaction this is one of the areas that the community just loves it. They love the fact that they can call 311 and get answers on just about anything related to city services. So that's part of a government that works, good communications. Court operations. The maintenance of critical infrastructure also fell into the government that works area so you will see a lot of Austin energy and -- and the water utility in here because of that critical infrastructure maintenance capacity as part of maintaining a good government.

[2:56:36 AM]

Our wireless communication system, our employees are obviously a critical part of achieving those customer service rankings and listening to our workforce is an important part of what we do. You will see a number of excellence awards or gfoa certificate achievements and excellence awards related to financial documents. We received the awards for our annual financial report, the car, the transparency in financial reporting. Lots and lots of things we do fit into this category. Moving on and looking at the indicator categories, there were a number of them on this one. Seven. And again, these are the guideposts that we use for determining which services, which expenses in our budget should align to this outcome as opposed to others. And indicator categories were the financial cost and sustainability of the city government. You will see financial metrics in this outcome. The condition quality of city facilities and infrastructure and effective adoption of technology. Satisfaction with city services. Our quality of our employee engagement, stakeholder engagement and participation. Equity was a key part of

government that works as was transparency and ethics. So again, those were the guideposts. This is what it ends up looking like with overall 24% of the city's operating budget aligning to the government that works outcome, a total of \$702 million with roughly 63% of it coming from Austin energy and Austin water. And once again, these are large departments with large infrastructures and the maintenance of that critical infrastructure is largely mapping to this outcome. 19% comes from our support service department, so our support service department includes mayor and council, the city clerk, budget office, human resources, all of those support functions.

[2:58:37 AM]

And then the other categories, I don't even list them here because it's almost every other department. This -- I think Diane said in the area of mobility there was actually very few departments that mapped into mobility, largely aviation, public works and transportation. This is an area where almost every department, if not every department, has some portion of their budget mapping to, aligning with the government that works outcome. And here comes the details from Diane.

>> Thanks, Ed. So on this slide and the next slide I'll be covering Austin energy and Austin water. As Ed said, the two utilities make up nearly two-thirds of the government that works allocation. For Austin energy that amounts to 30% of their budget and for Austin water it is 60% of the budget. The primary reason for the large allocation is the maintenance of the city's infrastructure, which is included within this outcome. And the indicator was the condition and quality of the city's facilities and infrastructure. As Ed said, both utilities have expansive systems to maintain and operate. Also included in both departments is the 311 call center which provides information and support to all city residents. And the customer care and billing, which provides customer support for all of the utility customers. Both utilities mapped their governmental affairs activities here since the units in shared compliance with the federal, state, regulatory laws and rules. And they also mapped the corporate management and oversight, which includes the recruitment and retention of high performing workforce into government that works. So for ae specific, they included the system control center, which allows them for the responsible management of their assets and resources. Half of the ercot expenses are mapped here. That's for the recoverable expenses to cover the buildout of the Texas utility grid, which is infrastructure. The risk management activities. And then 25% of their power supply expenses.

[3:00:43 AM]

Moving on to Austin water, we already talked about the first four bullets, but specific to Austin water, half of their collections and distribution engineering and treatment is in government that works. Likewise a portion of their wildlife management and their conservation programs are included here. So of the departments that call support services home, 85% of those budgets have been mapped to government that works. It's easier for me to talk about the exceptions, which include smbr, which is allocated to economic opportunity and affordability. You've got homeland security security, police

monitor, and office of medical director, which go into safety. And then the custodial services provided by building maintenance, which is in health and environment. Ctm has got 60% of their budget allocated to government that works in support of the I.T. Infrastructure and applications. The other 40% as a reminder was allocated over to safety for the direct services that they provide to our public safety departments.

>> Alter: I'm sorry, could you repeat one more time were the exceptions. You went through that very quickly.

>> Sure, absolutely. And if you bear with me I'll give you a more extensive list because I was just giving you the highlights. So like I said, building services, custodial is mapped into environmental, health and environment. And likewise they have hazard mitigation, which and building security, which is going into safety. So homeland security, office of the medical director, police monitor, those all mapped into safety, primarily into safety. Not 100%. Laws, civil litigation is in safety.

[3:02:47 AM]

Then we have smbr into economic opportunity and affordability, 70% of that department. Half of sustainability is in economic environment, health and environment. And then Tara's business access credit is in economic opportunity and affordability. But all of the rest of the support services departments have been mapped into government that works.

>> Alter: Is it possible to have that list?

>> Absolutely.

>> Alter: Thank you.

>> So the 10% of public works that is mapped been government that works is to capture the amount of work it does in managing capital projects not related to mobility projects. And development services has mapped 20% of its budget here for the administering of city's kids, engaging stakeholders and -- codes, engaging stakeholders and improving its processes through the use of technology. The rest of dsd was mapped 60% to safety and 20% to health and environment. So ems put the activities related to employee safety, wellness and development, and quality assurance and improvement here. The rest of its budget was split 50/50 between safety and health and environment. Here's the portion of aviation that is related to most of its information technology support. Comes out to about eight percent of aviation's budget. All of planning and zoning is in here except for the historic preservation piece, which was mapped into the culture and lifelong learning. And slightly more than 10% of watershed protection for its intergovernmental compliance planning and watershed modeling and analysis. So rounding out the outcome is Austin public health's office of vital records, municipal courts, civil parking administration.

[3:04:50 AM]

And then the citywide cost drivers such as accrued payroll, worker's comp, bad debt and liability insurance, hence why you will also see all departments being represented in this outcome because each department has a little piece of these cost drivers. So like Ed said, due to the nature of the government that works activity, all departments are represented within the outcome. The utilities, the two utilities comprise 63% of the total and the support services fund is another 20%. The remaining 17% is for all of the other enterprise funds, internal services such as fleet and ctm and then the general fund. . .

>> Thank you. Mayor and council, mark Washington, assist Stant city manager, I will take you through a few performance metrics. As Ed said earlier, one of the popular services that we have for our residents is the utilization of 311, and the metric of the number of callers being satisfied when they contact 311 is indicative of the appreciation of the service. At you will see, there is high levels of satisfaction over the past five-years, ranging from 74 to 80%. As we disaggregate the data, there's not significant difference based on race and ethnicity, but as you look at income levels, what you will see is there is lower satisfaction between, among those callers who earn less than \$40,000 a year. And that may be to the very nature of their calls relating to affordability or the cost of the services for which they may be inquiring about. But, again, just the number, the volume of callers that are received is almost million, which is about the size of our

[3:06:52 AM]

-- the number of residents that we have within the city limits. The next chart highlights residents who report being satisfied or very satisfied with the value they receive from the city, based on taxes and fees. And you will see the -- we highlighted this morning from etc, the level of satisfaction decreasing between 2013 and 2017, and there are varied reasons for the level of satisfaction because of the cost of government increasing so much, but as you will see, as we disaggregate the data, you will see the level of dissatisfaction is even greater with people of color. When you look at race and ethnicity, and again, are those who earn less, the low-income earners, less than \$20,000 a year. The next slide highlights the percentage of employees who feel their ideas and suggestions are valued by the department. This metric is taken from our internal listening to the workforce survey. We have over 4,000 employees who participate in that survey, and if you think about it, that is double the amount of respondents we use for the city wide community survey. What we see is an increasing number, level of employees who feels like their ideas are values, that they're engaged by management. Increasing from 47% to 53%. And, as we disaggregate the data, in terms of the gender identity, there is about a 4% differential between male and female, but what is most interesting is those who don't identify with any gender or gender neutral. And, so, this requires further investigation and we have our new employee affinity group saying that we can use to help us to determine if there is anything significant that would cause that level of differences to be noted.

[3:08:57 AM]

You will also see the difference by tenure. It appears that those employees within their first three-years of employment tend to believe that their ideas are valued more, and then as employees continue to work in the workforce, the longer the tenure, the less they feel like their ideas are valued, and we certainly need to do a good job to make sure we're valuing all employees, regardless of their tenure or their differences. The next slide goes back to a metric from the community survey, based on residents who report being satisfied with the over all quality of city services, and what we see is this downward trend the past couple years, and again, we covered this a little bit this morning, and there's not only the local dissatisfaction by I think across the country there is concern about government in general. But, what is interesting is you see the level of satisfaction based on council say districts to the right -- based on council districts to the right. And we see that, it is as high as -- excuse me, satisfaction levels 57% and as low as 47%, based on council districts. So a 10% variance. And, finally, another metric that references our internal employee workforce, listen to workforce survey, excuse me, this met strategic actually from the -- metric is actually from the community survey about employees who are being reported by citizens as being ethical in the way they conduct business. And we are certainly into ethics and integrity is a major value of our workforce, but as you can see, when we look at some of the disaggregated data, it varies by council district, as low as 53% and as high as 73% so there is a 20% variance by districts.

[3:11:09 AM]

On the low and high end, and on race. People of color tend to have a perception that employees are not as ethical as people who are not of color.

>> Okay, so taking a look at some of the highlights of our new investments and the government that works outcome, again, the 311 call center, we added funds to that center so this could also provide 24/7 support for the services customers. It was a more cost efficient way for us to get that done. I think a really great highlight is this item of \$2 million of on gone general fund for preventative maintenance at city facilities. More so on nonenterprised apartments, so city hall is a great facility, not all city facilities that our employees work in are nearly this nice. There is a lot of deferred maintenance at city facilities across the landscape, and so \$2 million was a good starting point for starting to address some of that backlog. Looking into some of the nongeneral fund areas, this council stood up a new equity office and has allocated four positions to that office and \$54,000 of on going funds. We are in the middle of a major I.T. Project to relocate the city's data center, which I believe is somewhere in the neighborhood of 20-years old up on the top floor of the walnut creek building. Thus far you've allocated \$3.7 million to that project. Just under a million dollars allocated for a website redesign project. Funds for electronic time keeping. We're excited about that. Council member alter was mentioning we still do paper time sheets in this technologically savvy city, but we will be moving away from that very, very soon, much to the satisfaction of our workforce.

[3:13:17 AM]



Three new positions to implement and monitor the fair chance hiring initiative, and \$1.4 million was added to the budget for our transition to a council, so more council and staff to support the new system. Last slide here, a couple positions added to the budget for our new living wage compliance ordinance related to city contacts. Three city clerks to monitor the campaign finance reporting changes and lobbying registration changes this city council enacted. And the last one up here is three positions, three additional positions related to the mobile bond two in the capital contracting area to make sure we're getting the contract processes in a timely fashion to achieve the aggressive implementation goals for that program. And that takes us to our final slide of today, which is the continuing conversations here. You going doing handle those?

>> Certainly, competitive pay and benefits is important to maintain a great workforce. I know we've had some discussions over the past year regarding the competitiveness of our public safety employees, but we need to be mindful of the competitiveness of our pay and benefits for nonsworn employees, as well, and especially those who are at the low income level of our workforce. And, so, as we continue to improve our efforts for affordability, not only community but workforce, we're again forecasting, will be forecasting the increase to the living wage for both regular and temporary employees, as well as making sure that we stay competitive with the rest of the community as they implement the sick leave benefit for their workforce that we provide similar benefits for our own employees who are temporary.

[3:15:27 AM]

It highlighted some of the technology enhancements. I won't go in much detail on that, except to reiterate a conversation that was had earlier this morning, I believe council member kitchen referenced the smart city inventory, and we're going through a process now of looking at all of our needs over the past three-years, and we've had more needs and resources over -- departments have identified over 200 or so possible improvements to technology. We have an ongoing list of smart city opportunities of a hundred or so projects. And we've just started the partnership with the Austin tech alliance to help us in our paperless initiative. So there will be many opportunities, and we will have to go through a prioritization process and determine which of those would be the greatest investment for our workforce. And then, finally, as Ed also alluded to earlier, deferred maintenance. A couple years ago, which identified over \$80 million of deferred maintenance that was needed across the various have a facilities. We have a governance team. The council had a real robust discussion about using city land and facilities for redevelopment for community needs, but because of the growth of our community need for housing, but likewise, as our workforce grows, there are also work place needs. And so want to be mindful of that, as well. With that, I will turn it back over to Ed.

>> That concludes, so we're on to the questions and discussion portion.

>> Okay. Council? Government that works. Alison.

>> Alter: Thank you. Active I right, when we talked about the convention center, we said it was 100% economic affordability so it doesn't have any government that works part of its function?

[3:17:40 AM]

>> It has a small portion that goes government that works, by and large the amount going for the accrued payroll and worker's comp is less than 1%.

>> Alter: Okay. I will need to think about what that might mean more broadly. I wanted to also ask, again, and I think I might have a spread sheet you sent us that provides the underlying data for this, but as I am trying to put all of these pieces together, it would be really helpful to know by department, like, which bucket that department is going into and being able to know go right to that spread sheet and know X department has safety, it has mobility, it has government that works and which pieces are going into that. And, I feel like I have a spread sheet that kind of does that but I don't have the pictorial part of -- pictorial part of that, so if it would be possible, I'm trying to figure out how we make the transition from the outcome based budgeting and we still have the departments and trying to understand that so I wanted to express that that would be helpful, kind of moving forward. And thing may be a question for Mr. Washington, director Washington. For the time sheets I know we're vetting in getting the time sheets online but there is a whole other human capital management system that's needed, and through my auditing of the audit finance committee, I'm not on it yet, officially, I've seen there are other issues. If we had better data we could track things and know if we're spending appropriately on all-call pay and over time, where the look of the human capital management is in pinging on our -- impinging on our ability to understand and audit and make sure we're spending our money where we say we're spending our money.

[3:19:50 AM]

I wanted to ask you, invite you to speak to that need what it would cost and what we may be able to accomplish if we had that.

>> Thank you for that question. The work on the time sheets will help on the paperless and reduce time inefficiencies and that is somewhat north of a million dollar investment on the interface for kronos, but the larger core system for human capital management, we have estimates from 20 million to 40 million if we're doing on premise solution, 20 million if it were cloudbased, and we're challenged by that because we can't debt fund it. If it is cloudbased through bonds or, you can't issue debt for it. So it definitely would be able to produce our ability to respond to inquiries from citizens, it would help with our business intelligence of analyzing data, making more performance-oriented decisions, and, as well, decreased staff time and resources in terms of providing information for decision-makers. So this is a step in the right direction but to have the full capital human management like other organizations of our size and other systems.

>> What do we use now, if we don't have electronic time sheets? We don't have a human capital management system that is cloudbased, how are we doing this now?

>> Well, we have functionality through banner, which is our payroll system in which we -- which allows us to do some functionality for workforce management, and we have other disparate type of systems we use and lot of paper processes, so we're putting together a lot of different tools to over see our workforce at this point.

[3:22:11 AM]

>> Alter: Would it be possible to understand how the other cities, like San Antonio, have funded something on this size? Because it is going to be hard to find \$20 million in one pop, and so I would be curious to know how they're funding their systems and then a second follow-up would be, does this need to be somehow part of our legislative agenda to find some way for them to allow us, now that we are doing a lot of investments that are cloudbased to provide cities an opportunity to finance those. I don't I don't know, there are probably a lot of minefields I'm walking into with that but it seems the obstacle is the state is saying we're not allowed to do that and maybe the technology has changed enough that we have to think about altering how the state approaches that.

>> I think it merits further exploration.

>> Alter: Thank you.

>> Mayor.

>> Mayor Adler: Yes, Jimmy.

>> Flannigan: Council member alter, can you help me understand what you meant about your convention center question?

>> Alter: From what I saws, as we did the economic and affordability section, 100% went to that bucket, and in my mind, every department should have something that works so I was trying to understand why the convention center didn't, and the answer was it was less than 1% so they counted it 100% under economic opportunity and afford affordability.

>> Flannigan: So let me ask Ed or the staff, are there other areas that have negligible amounts?

>> Most of them do when you look at the government that works, about 63% went for two utilities and another 20% went for support services. Every other department makes up about 17%, so each department has one little budgeting unit and that's where we put in the city wide costs that we talked about and most of those come under 1% of the department.

[3:24:27 AM]

So we round up to 100% saying, by and large, if you're looking at this from the big picture, all of it is here and you've got this little tiny piece.

>> That's what I thought, thanks.

>> Alter: Thank you for clarifying that. This is why I was trying to get that other list from you to try to put the picture together. It was necessarily going after the convention center, just trying to understand how they did the accounting.

>> By the way, for the record, we have a quorum that came in about half hour ago during the presentation. We still have it on the dais now. Yes, Ellen.

>> Troxclair: I'm sorry if this was explained at the beginning, maybe I missed it, the departments when you say Austin energy has 40% of the budget going here did you just ask each individual department to tell you where they thought to look at their budget and tell you what percentages they thought were going in which bucket?

>> Yeah, that is basically what we did. We asked every department to go in and look at each one of their budgeted units, both for operating and capital. Right now we're going over the operating because the capital is not done yet, so they went in and have the opportunity to allocate no less than 25% to multiple strategic outcomes, and so you could have up to four different strategic outcomes in one budgeted unit. And, so, then that information was vetted through budget office, through the strategic outcome teams and city management and now through you.

>> Troxclair: And so, if we want to know, drill down in and see what is allocated, what is making up that 40% or whatever it is in each, you have that information?

>> Absolutely. I can share that with you if you're interested. It ends up being about, I think last count it was about 2500 rows of data, because not all units are allocated one for one to the different strategic outcomes.

[3:26:36 AM]

Some units are allocated up to four different ones, but we have that information.

>> Troxclair: Okay, thanks.

>> Mayor Adler: Further comments? I want to return to something that Alison raised earlier and had foreshadowed coming up later, which was the level of detail associated with what we're going to be getting when we look at the budget. Because I think that, as a council, we need, at some point, figure out how deep down we go in this process. Are we going to be establishing the strategic areas and then the metrics we want to see movement on and then turning to the manager and saying, your job is now meet those metrics and if you need more resources, tell us. If you're not going to make them, tell us. If you think they are the wrong ones, you can advise us but this is what we hold you accountable for. To what degree do we reach down below that to actual look at the choices in the programs. Do we do that in all areas or do we do that at all? Do we do it on one or two that are of real significant community interest? And this might not be the time to discuss that, but at some point, maybe associated with the strategic planning or the budgeting, I'm not sure which it is, but that's probably, I think, Alison raised a

good issue for us to, at some point, discuss. Did you want to say something? Sing I jumped on top of what you said earlier.

>> Alter: Yeah, I would like to better understand, since this is a transition for all of us to outcome-based budgeting and we talked, trying to understand the transition and where we're chiming in on policy and the level of detail and how I'm going to know that you stopped doing something and started doing something.

[3:28:42 AM]

And then we have set the metrics but we haven't set the targets and we don't yet know from the trend lines that we already have whether we're on a trajectory to meet those targets. And in order for this to be successful, we have to be able to do all of those things so that we can prioritize and say this is the target we're trying to meet and we're on trend or not. We can be moving in the right direction and be totally off trend to get somewhere so there is a -- I would welcome some further sense, you know, and maybe I see Steve, the strategic planning facilitators is here or the city manager or you guys focused on this particular aspect of the strategic plan, how do we make that transition and how are we going to get there. Because right now we've identified our metrics but we don't have the targets to do the approach that the mayor was just talking about.

>> Well, I'm going to use some of Steve's language because I think it is good and I know I've heard him say before you have to walk before you run and I would submit at this time we're probably still crawling. This is a major change to how we've done business. You think about the strategic plan has taken us 14-months to get to the strategic plan we have, and it is going to probably take couple budget cycles before we really advance to the level of sophistication you're talking about. But I think getting from walking from crawling to walking may look something like an April 4th priority setting workshop, we ask Steve to come back, he's as intimately familiar as any of with us what is happening with the strategic plan and goals and objectives you've laid out through the strategic plans, he is the ideal person to facilitate that priority setting. But would come away with a clear understanding of the different elements of your strategic plan, how out monies are client aligned, general fund dollars in particular, to your different outcomes.

[3:30:55 AM]

And all those indicators, food insecurity, momentlessness, all of those indicators are important. We look at what are the top priorities for the fiscal '19 budget and beyond, and the staff will have a clear understanding, directionally, at least, of this is the direction that council appears to want to go they want to see less money maybe allocated to this outcome, and more money allocated to these other outcomes and improvements in these specific indicator categories. That is a start, at least, and it gives us the ability to come back to you as staff and we heard you and here is what we're proposing to do as a budget. Part of that could be making less investments in certain areas so we can enhance investments in

other areas to achieve the objectives that the priority us that lay out to us on April 4 so that is at least conceptually the idea, that's where we're heading and I don't want to over commit to anybody the level of sophistication that we will be able to chief in our first go around. Steve, you're welcome to come up and chime in to add to this I know you've done this in many other communities throughout the city where all of us, this is our first go at this.

>> I would echo what Ed said, this notion of you are all in the right place in terms of your aspiration. You all, as elected officials say we want to know not only how much money are we asking our communities to invest in city government, but what are we getting for it. And I think, Alison, to your point, you're saying some of these metrics we have trends and we can see how well we're doing, when will we have the notion of seeing how much better are we doing. To Ed's point, part of what we want to do on the 4th is say, what particular areas, and we will use the indicator categories as the best tool to have that conversation in what particular areas do you really want to see improved performance happen as part of the investments you make with the fy-19 budget.

[3:32:59 AM]

I would say there might be a handful of opportunities where you say, as part of this process, to quote, unquote, deep dive, to really understand which exact programs are we going to be -- have we been vetting -- investing in to drive that indicator and can we do better. To Ed's point about that might be a place where you move out of crawling and start walking in those areas. Probably not running to the point you will have a very clear sense if, if we invest not just \$300,000, we get X level performance, if we invested \$450,000, we get y-level performance, I don't think a lot of the areas you currently have data, you are at that level of sophistication and know what that trade-off would be. To your point, Alison, you made on a couple of occasions is understanding, well, where do we see programs that are simply, we don't have any evidence to suggest whether or not they are way producing data, results that we want. And I think that is a place where having these 2,000 2,000 budget units can start to get you down a place you can start to understand, are those 2,000 budget unit levels, what kind of performance are we getting out of those. I think it will be a continual process of not only when you set the initial budgets are but one of the things Edwards' actually on the hook for, from our contract standpoint is to help the manager and performance management office say what's the on going management service area. You committed, I don't know, could be \$5 million towards improving this indicator, here is how we're doing now six-months into the year or at the end of the year. So again, having that learning cycle. There is a lot of things that can be in play and this notion of trying to focus in on where do you want to deep dive to build that muscle memory around doing that work a good place to start.

[3:35:11 AM]

>> Alter: I appreciate this clarification but we still don't have the -- we have data on some of the metrics and we haven't seen those metrics, we've seen a few of them through, this but we are saying these are

the metrics that matter and we don't have those metrics but we're asked to prioritize without having the metrics or without having a sense of where we should be with those data points, other than the trend direction that we might want to move, like it is probably, you know, not that much more possible for the unemployment rate to go lower. And there's probably the same kind of thing on other metrics. But we're being asked to prioritize but we haven't seen the metrics. We've identify themes but there is a lot of them two measure and they're not being presented to us as of yet to be able to make it. Do you see that?

>> I do see where you're going. I would say even this week some of those metrics were still changing so it is a matter of getting the crawling down and walking solidly without hanging on to the sofa and then running. We're still as an organization familiarizing ourselves with that data and understand it and use those data analytics to the help inform us about how we proceed. But that is the challenge, we don't formally as of today have an adopted strategic plan so we are do the best we can what we have and trying to completely fundamentally shift this budget process, at the same time the council was still developing a strategic plan, trying to fly the plane while you're building it process this budget process will look and feel differently than the previous three and the presentation will be different.

[3:37:15 AM]

It may not behundred% where you envision it will be, but it will move in that direction.

>> Alter: The last question, can you explain to us what you need from us for April 4, what we united to be thinking been about to be prepared for the 4th or beyond?

>> This is part of it, and we will give you detailed information regarding staffing. But wanting to give you a foundation of how your current budget is lining with your strategic outcomes and where the recent investments have occurred. One of the things we will ask you to do, if you look at the general fund budget that billion-dollar pie and how it is allocated to the six outcomes, at that level, what are your preferences, what are your individual preferences and we need to look at what the body's preferences are in how those billion dollars are being allocated become few exceptions, you have complete control on those general general fund dollars to spend them where you want. You have much mess discretion about the types of programs, but the general fund you have tons of discretion. We need understand if there is a desire to see less money in one owl and more money in another outcome, we would like to understand that in a directional sense but also more tangible which in the past. We've had those conversations in ad hoc ways to improve outcomes bees are so that would be one aspect. The other aspect is just about the size of the pie. It is roughly a billion-dollar pie right now and there's things we can do through the property taxes we set, fines we charge, things we can do to influence the amount of revenue we have to allocate.

[3:39:18 AM]

Again, focusing on the general fund, we're going to want to understand that from council. The final aspect, we thought the right starting point for changing this information was around your 35 indicators, and that is a lot, but, you know, the metrics are 180 and growing, and so we thought the prioritization exercise made most stones do it at the indicator level. Indicator levels are things like indicators of homelessness. Indicators of food security. Those are the ones that are coming to mind, but we have 35 of those and going through process we understand at the end of it, it is pretty clear to us. We might come away saying council says this is how they feel about revenues, they would like to see this shift in how the money is allocated and the indicator areas they really want to see enhances are perhaps homelessness. We can bring those priorities back now a way we haven't been able to do it yet. We're in the process of finalizing this tool to gather pre-information from council about those things. April 4th, we want Steve to come back and do in-person facilitation so we can really come away with the understanding this group, as a body, how you feel about those elements that what he is we have in mind. That's where we're going. I expect in about a week to 10-days in advance, you will get meeting requests from me so I can set down and talk with you in person about how April 4 is going to unfold so you can be as prepared as possible. While I have the mic, the way we're heading is we would like to do the financial forecast in this room so it can be readily be televised and recorded. So which would be doing kind of the presentation, financial forecasting here, we can break for lunch, lunch in this building, reconvene at the central like to do the facilitated exercise.

[3:41:31 AM]

That's what we're planning for the board. That afternoon facilitated exercise is scheduled from 1 stock 5 sock we have about four-hours to really work with you to -- 1:00 to 5:00 so we have about four hours to really work with you and your priorities. We're really excited about it so we hope you are, too.

>> Mayor Adler: That sounds like great plan to me. Diane.

>> I got the answer.

>> Mayor Adler: Leslie.

>> Pool: If we're going to be at the line library for some of this, I'm excited about that found. Sounds terrific. It sounds like you want to shift the allocation of revenues away from being program attic and operational and be up here as a much higher level that we want this amount of money to go to. I may have missed that. I came in late.

>> To start the conversation there. As the end of the day, once the manager presents the budget to you all, you can go whatever level you want. Around people have panicked, I think when they've heard us say this is going to be going, pivoting from a collection of 42 departmental budgets to sort of six outcome budgets. I've people say, wait, we're not going to have departmental budget? We will have department Amal budget. And Alison saying, ask K we see how it is allocated and we will get you the summary level today so that can be shared with you. I think the idea is pivoting where the conversation starts so it is more outcome driven, an understanding of where the priorities you all want to put in terms



of which indicators do you really want to see improvement on. You want improvement on every metric, evening those you don't have yet, you want to see them get better.

[3:43:39 AM]

If we want everything to get better, we don't have any sense of priority. At some point there is a trade off. That's what we want to take you through on the 4th, have some degree of consensus amongstst you all that says, of the 35, I'm just going to make number, here are the six. The five or six that we really would like the energy to produce a budget -- like the manager to produce a budget that is evidence-based, innovationative, accountability driven. You talked about making social services more outcome driven. That might be a part of it. I think the idea is in particular, not exclusively but in particular the areas that the manager would say, I heard your priorities, I have a pried to put more resources and maybe a better combination of resources to get you better outcomes.

>> That is the entry conversation, yes, it is highering, not so much operational and then the city manager, after developing the budget would come back and show us where us saying this at this level has ended up with him choosing with staff these items and how closely did his work and staff's work align with what we were imagining and maybe didn't vocalize.

>> Exactly.

>> Got it.

>> You would still be able to look at the department of xyz and go, hoop, what is going on there. The idea is, please try to make that the second or third conversation and focus first on the outcome piece.

>> And the second and last question that I have, you mentioned, of course, our enterprise departments and how we may want to shift something that happens within them, but we have some -- there are restrictions and limitations on how else we can use that money, which we are all well aware of. But, what if we challenged the city manager and our finance folks to help us find ways that, I'm just saying, just picking, as an example in aviation. We would like to do some additional support for something in the education field or something.

[3:45:41 AM]

Fan we toss that your way, within the restrictions and limitations that we have on how we can use revenues in the aviation department, is there a way we can reach that? Can we kind of stretch our creativity in these other ways as we've kind of been stimied in doing that in the past. And I think I know I'm interested in testing those limitations.

>> We are always up to that challenge. I will say that perhaps we might have been a little bit overly creative to some degree in years past and we moved away from some of those creative ideas, I think appropriately so, but we would absolutely sincerely and earnestly look into that. You did bring up

aviation and that perhaps wasn't the best example because aviation is the most restrictive source of funds we have. If it is not within the fenced boundaries of the airport, we can't use that. Unless it is related to flying landing planes and airport security, there is no wiggle room in that pot of funds for anything else and yet we've had a really successful internship program.

>> Right.

>> Out at aviation. Which was a melding of education and aviation.

>> Yeah, so interns related to aviation work so there are ways, I don't mean time ply at all there are not - mean to imply there are not ways to implement that, but this terms of wanting to take money from aviation and spend it on economic development or affordable housing programs or other priorities, most of those enterprise funds are restrictive, with the exception of the utilities, this is very open ended.

>> And I hope that that when we do that, we don't encounter difficult resistance we met with last year in trying to change the status quo within statutory permissive areas, but we encountered significant and unfortunate resistance at the staff level that I am probably not alone in hoping is not repeated, ever.

[3:48:03 AM]

And certainly not this year.

>> I hear you.

>> Thank you.

>> Mayor Adler: Ann.

>> Kitchen: I absolutely agree and I can see we can get to a point where we're talking about our priorities in terms of the outcome areas, opposed to being focused on programs. But I think, I don't want to set the expectations that that can happen this time, totally. Because we have, you know, multiple resolutions we've passed in the past that have not yet been funded and they tend to be more programatic because that's the history we're coming out of, I see this more as combination. I want to stay as the higher level in terms of priorities should go in this buck bucket, this bucket and this bucket, but I don't envision being able to do that entirely because of the legacy funding we still want to see funded and a few of them are more program related. Because of that and also because I don't think it gives the city manager or staff as much indication of what our priorities are. And I think the other I think that is really important is trying to align what the council wants to do at the end of the day in terms of policies with -- and be clear for our staff in terms of what pour our policy issues and direction so you don't go back and do a budget and come bang and say that's not what we really meant. Because this is the first time we're doing this. I would like to see priorities in the homeless area, but then I would probably also want to say, to me, based on the understanding I have, I think that that means that we've got to look at, you know, supportive housing, we have to look at this, that and the other or host or whatever.

[3:50:17 AM]

I wouldn't want to stop and say, I want more money to deal with homeless, because that doesn't really reflect where my priorities are, and it also doesn't provide total feedback for the city manager and staff if I don't then say the next level. Because I know that I'm not going to be happy when I come back if there's money for homeless but it doesn't cover those things that I think are important. And, I think that that can change over time, because I do like the idea of just being able to say, get results on this indicator, but we are so new on what those metrics are, we don't have a history of those metrics and some of those metrics are harder to push the needle on that I think this is, this has to be a little bit more of a team work in terms of identifying programs than it might be otherwise or than this might be in the future. So.

>> Mayor.

>> Mayor Adler: Jimmy. Wait. Miss Houston. Lucent go .

>> Go that way, you just turned it back on.

>> Mayor Adler: Okay. Jimmy.

>> Flannigan: I'm excited about getting away from the idea of programmed a atic decision making, because of experiencing it most recently, it felt like own one council member understood the programs so it made it difficult for the rest of us to get on board, there is a long road to to go to get to this idealized budget process, and I appreciate that, and it is also important to remember we'll never get there if we don't trust or procurement process family we can have this beautiful but designed budget we get to this high level, move this need nel xyz, and we're presented con tracts to vote on, we'll have missed the period of time at the -- the period at the end of the sentence, I want to highlight how important it is we keep we understand why we keep having these awkward purchasing moments moments.

[3:53:01 AM]

>> Mayor Adler: Mayor pro tem.

>> Tovo: I think of some of the critical needs that have been funded through the process and it would have been hard to get the same, just have the same movement forward had which just identified a priority. I will give you a few examples. Because we're in constant communication with the community and they reach out to bus specific needs, I can think of twice we did fund a flam would have not otherwise -- a program that would not have otherwise come from the staff itself the. One came from the staff themselves, earlier times in the parks and recreation department and was no longer being funded this had . Had the council come together, it would have looked like after school programs in areas experiencing lots of crime so it wouldn't have driven the implementation of an actually program that I think is hitting policy objectives had we just been very general and identified the priority need rather than that specific program. The other is the senior meals program. Community members said we

need senior meals program that is culturally sensitive that offers verge vegetarian mealings and what would that priority have looked like? Nutritional needs? Senior programming? It would have been way to -- I'm not sure we ever would have gotten that same knock that same budget year because we asked the questions, are there other areas we need, before we implement a meal at the Asian American resource sen they're serves culturally appropriate foods or other areas there is a need identified and that's when dove springs got funded.

[3:55:13 AM]

They were done in partnership with our staff and park staff but it would have been hard to get those outcomes had we just been talking a very global level in this group as priorities or outcomes we want to achieve. So I am open to the idea that we might some day get to just talking about priorities, but I also share just some concern that we're going to lose -- that we might lose something there, if that's the only place where our focus is.

>> I think it is an evolution. I don't know if we will ever get there I don't know if that would make sense, never any programatic discussions, but having priority discussions around strategic outcomes and indicators is going to address a lot of those issues. That is not to say there is never the meals their comes up and that needs to be addressed as part of the budget and I don't see why the process can't always still include those things. It is just a matter of, does that become the focal point? Leaving so many of those decisions to the final six-weeks of the budget process. We can understand early in April as part of the regular budget development process we address, I don't know, 70, 80% of the issues up front if we're doing the budget process, and maybe that percent grows over time but there are always things that are addressed and tackled, more of a one-off issue.

>> Mayor Adler: Miss Houston.

>> Thank you. You all have done great work and thank the staff for putting all this effort into it. This is new for everybody, so we're trying to get comfortable with the process. I, for one, think all programs, everything that we do at that lower level need to be looked at, including legacy programs.

[3:57:22 AM]

Because their performance metrics that may have been applicable 30 years ago, when we started providing the funding to those departments or those entities and the world has changed now and those metrics, outcome measures need to be looked at. So I don't think there are any sacred cows as we go through process. Everything should be on the table to be looked at, and if we're going to have a budget that's going to be looking for how we can find additional money, then a is even more so a reason to make sure there is nothing left on the table. I will say it again, I'm looking forward to the process, looking forward to April, hoping we will adopt the strategic plan. Whenever it comes up. Is it tomorrow?

>> Tomorrow.

>> Seems like we've been in this on going council meeting for three-days. I hope that we can get through that so people have a base, a foundation, to say this is where we are, this is what we've all agreed to and this is the direction that we're going to go as we prepare for the budget process. So I'm looking forward to it.

>> Me, too.

>> Mayor Adler: Yes, Pio.

>> Renteria: My biggest concern is that we dedicate funds to, like I'm really concerned about it, like the housing trust fund, some of that money that we collect goes into the general fund. If there is a budget short fall in one of the departments, sometimes we'll just, instead of allocating this money to the trust fund, it gets used for something else to pay, to make up the budget. How would that work in this new plan that we're going through?

>> I think what you're referencing is we have a housing trust be fund that gets all of its funding from a property tax revenue that gets allocated to the housing trust fund and we use that for affordable funds and there have been situations in the past where the housing department has staffing needs and funding needs and they're tapping in a 0 those funds for a project, for example.

[3:59:48 AM]

I think one of the things, the ways this program might help us, if we go through it, a clear understanding and clear articulation council, addressing -- articulation from council, addressing affordable housing, that is incumbent on staff to look for ways to improve that. If this is one of your top priorities, and I wouldn't be surprised if it is using housing trust fund money to pay for day-to-day operation isn't the best way to achieve those outcomes. So getting that feedback from the council may be the catalyst that is necessary for us to change that in the budget process. Of course that has implications for other things, if we're not funding staff through that mechanism, we need to fund it through other mechanisms and that puts pressure on the general fund. That is one example. But the catalyst for those things would be what the council does to prioritize those indicators and to the extent it is clear homelessness is an issue, that is one thing we could be and should be looking into. There are a lot of other things we should be looking into.

>> I just hope it doesn't get transferred over to some enterprise fund that meat mate be going down.

>> It's never been transferred to another enterprise fund, it has always been used for housing programs but you think the original intent was to be a source of fund for housing projects opposed to staffing day-to-day, on going funding for staffing. There are several funds over the years because there was constraints and pressures on the general fund for other things.

>> Mayor Adler: Yes.

>> Mayor, I was going to say, I don't know if this is part of what you meant, council member, but we haven't and able to fund the affordable housing fund to the level the resolution question.

[4:01:49 AM]

>> That's true. I don't know if that is part of what he was saying but that is true, we have not.

>> That's not --

>> We made significant increase, we have up to what the council resolutions call for. My may Alison. I'm sorry, did you want to say something? Alison.

>> Alter: It was made clear we have a \$13 million obligation to pay for housing at the grove, and that money from the grove last year that was available from the property tax did not stay in the fund and was reallocated. So there's some issues there in terms of getting the affordable housing built that we expect we're having built, as well.

>> Mayor Adler: Okay. You want to conclude?

>> I just want to thank staff again and thank the council members and may year for this rich discussion we had today and February 21. Bass, for me, as a new manager, this type of die slog so valuable -- day log is so valuable as we talk about how we will create the budget for next year. I want to reiterate, it is not my inthings April 4 is the only chance for this prioritization discussion, we're talking throughout the summer of taking the direction we're providing on the 4th but then really using that as conversation starters that will happen throughout the summer, so it is not that we take the information on the 4th, GE off in we go off in a corner with a budget, it is really an interim process with each of you as which further refine what those priorities from council will be. I'm looking forward to that process, looking forward to the conversation on the 4th and you want to thank everyone from the conversations today.

>> Mayor Adler: That would represent a significant change and one that I think we're all ready to join you in.

[4:03:49 AM]

Thank you. Anything else? That said, it is 2:00 in the afternoon and this meeting is adjourned. Good job. Thank you.