



City of Austin

301 W. Second Street
Austin, TX

Agenda

Questions and Answers Report

Mayor Steve Adler

Mayor Pro Tem Kathie Tovo, District 9

Council Member Ora Houston, District 1

Council Member Delia Garz, District 2

Council Member Sabino "Pio" Renteria, District 3

Council Member Gregorio Casar, District 4

Council Member Ann Kitchen, District 5

Council Member Jimmy Flannigan, District 6

Council Member Leslie Pool, District 7

Council Member Ellen Troxclair, District 8

Council Member Alison Alter, District 10

Thursday, May 24, 2018

Austin City Hall

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

QUESTIONS FROM COUNCIL

TIF #17 **Agenda Items #11-16, #67, TIF #1:** Tax Increment Financing Reinvestment Zone (TIRZ) No. 17 (Waller Creek related items).

QUESTION:

1. Over time, what kind of safeguards do we have if faced with shifting economic conditions that limit the amount of actual tax revenue generated by the TIRZ?
2. What guarantees or other mechanisms are built into the TIRZ to ensure the private match materializes? Where in the documents can or will the related milestones etc. be found?
3. What is the method if in the future we wanted to leverage the balance of funds in the TIRZ (\$75 million balance indicated on page 12 of the project plan) for an allowable use? What uses would be allowable? Please confirm that the following is accurate: Absent a future amendment, the TIRZ balance can't be spent until all the debt (tunnel and parks related) is serviced.
4. What flexibility is there in the allocation of money across projects or wrt the design of the chain of the parks?

COUNCIL MEMBER ALTER'S OFFICE

ANSWER:

1) Over time, what kind of safeguards do we have if faced with shifting economic conditions that limit the amount of actual tax revenue generated by the TIRZ?

There are several safeguards in place. The Capitol Market Research (CMR) Tax Increment Analysis Report forms the basis for staff projections about additional debt; staff used the projections provided in the CMR report as a starting point, but make more conservative assumptions about future growth. Also, the \$110 million would not all occur at once; the appropriations and subsequent bond sales would occur over a 5-8 year period. Prior to any appropriations, staff would assess how the TIRZ is performing. In the event of significant downtown that may affect TIRZ performance, we would be able to hold on any new appropriations.

2) What guarantees or other mechanisms are built into the TIRZ to ensure the private match materializes? Where in the documents can or will the related milestones etc. be found?

Amendments to the City/Waller Creek Conservancy (WCC) Joint Development Agreement (JDA) will build on the existing JDA, and spell out fundraising requirements for the WCC. As each project moves forward - first with City Council approved funding, then through the Local Government Corporation phase plan approval process - fundraising pledges will need to be in place, prior to moving forward with letting construction contracts.

As described in the JDA between the City of Austin and WCC, WCC's role (JDA Article 2 Section 2.01 (C)), is described as management of design, construction, operation, maintenance, community and public relations activities that are approved in phase plans by the Local Government Corporation (LGC). WCC is also responsible for fundraising. WCC will manage the day to day operations as set out in the operating agreement.

The LGC's role (JDA Article 2, Section 2.01(D)), is to oversee the improvements in the District, the work under the phase plans, the use of city funds (i.e. TIRZ funds) or LGC funds for projects and operations, to carry out the decisions made by the city and the conservancy with respect to the common goals and the public purpose of the project, to provide council with updates on the projects, and to have open meetings to consider the phase plans and any other actions they are taking to provide transparency for the projects.

It should be noted that all City funding - including debt supported by TIRZ #17 revenue - used for these projects is approved by City Council.

All LGC meetings are public meetings, and all information related to the LGC - including information on the plan projects - is posted online; the LGC provides bi-annual progress reports to City Council

3) What is the method if in the future we wanted to leverage the balance of funds in the TIRZ (\$75 million balance indicated on page 12 of the project plan) for an allowable use? What uses would be allowable? Please confirm that the following is accurate: Absent a future amendment, the TIRZ balance can't be spent until all the debt (tunnel and parks related) is serviced.

Based on projections through 2041, and after debt service on the additional \$110 million in new debt is paid off, we estimate that the TIRZ fund would have a balance of \$75 million. This majority of this balance begins growing after 2033.

Based on this additional ending balance, we estimate that an additional \$30 million to \$35 million of debt (in addition to the \$110 million) could be issued in the course of the next 5 to 8 years. To be an eligible expense, the project would have to provide benefit to the TIRZ, in accordance with Chapter 311 of the Tax Code. For example, investment in assets/facilities to address homelessness issues would be an allowable use.

If at a future date (no earlier than 2029), but prior to final debt service payments, it was determined there were excess funds in the TIRZ above all necessary remaining debt service payments, it would be possible for those funds to be transferred to the City by a termination of the TIRZ. Again, it would be required to have a funding source - either existing balances in the TIRZ fund or other City funding - to service all remaining debt service payments.

4) What flexibility is there in the allocation of money across projects or with the design of the chain of the parks?

The Project Plan detailed in "Amendment No. 2 to Final Project Plan and Reinvestment Zone Financing Plan", shows how an additional \$110 million of TIRZ #17 supported debt, plus existing \$41.1 million in City funding, plus \$93.7 million in private fundraising/developer contribution, is estimated to be spent in five distinct geographic areas of the TIRZ. TIRZ funds have been allocated to the projects within each geographic area based on the estimated cost of those projects, schedule for execution of those projects, and private fundraising targets for each of the projects.

As City Council approves funding over the next 5 -8 years for this project, up to a total amount of \$110 million, and as the Local Government Corporation goes through the proscribed phase plan approval process, there will be an ability for funding allocations to be distributed between projects. This could occur as more detailed project estimates and final project construction costs are determined. In accordance with Chapter 311.011, estimates may not "vary materially".

QUESTION:

Additional questions by COUNCIL MEMBER FLANNIGAN'S OFFICE - see attachment.

ANSWER:

See attachment.

- 16. Agenda Item #16:** Approve a resolution amending the Waller Creek Local Government Corporation's Articles of Incorporation and Bylaws to appoint one additional City Manager designee as a director to the board of the corporation from the City of Austin (Related to Items 11, 12, 13, 14, 15, 67, and TIF #1).

QUESTION:

Please describe the division of decision-making power as it pertains to the Waller Creek Conservancy and the Local Government Corporation.

MAYOR PRO TEM TOVO'S OFFICE

ANSWER:

As described in the Joint Development Agreement (JDA), between the City of Austin and Waller Creek Conservancy (WCC), WCC's role (JDA Article 2 Section 2.01 (C)), is described as management of design, construction, operation, maintenance, community and public relations activities that are approved in phase plans by the Local Government Corporation (LGC). WCC is also responsible for fundraising. WCC will manage the day to day operations as set out in the operating agreement.

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operations, to carry out the decisions made by the city and the conservancy with respect to the common goals and the public purpose of the project, to provide council with updates on the projects, and to have open meetings to consider the phase plans and any other actions they are taking to provide transparency for the projects. It should be noted that all City funding - including debt supported by TIRZ #17 revenue - used for these projects is approved by City Council.

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- 18. Agenda Item #18:** Approve an ordinance authorizing the negotiation and execution of all documents and instruments necessary or desirable to purchase one property at high risk of erosion, located at 6903 Creighton Lane, Austin, Texas 78723 Lot 4, Block 6, University Hills, section two, phase three, in a total amount not to exceed \$524,626, establishing acquisition and relocation guidelines, and waiving the requirements of City Code Chapter 14-3.

QUESTION: Other properties in the area are more fully in the floodplain than this one. Why did we choose this one? Why is the cost of the buyout so much higher than the appraised value? Would a new buyer be able to buy the property and put another house there? Is the erosion hazard zone a publically available map layer? What will happen to the lot after it is bought out? Can it be a neighborhood pocket park?

COUNCIL MEMBER KITCHEN'S OFFICE

ANSWER:

Other properties in the area are more fully in the floodplain than this one. Why did we choose this one?

In contrast to the flood buyouts WPD does, this is an erosion buyout. The eroding streambank is in close proximity to the house on this property therefore the erosion hazard is much higher than on neighboring properties, where the houses are much farther away from the eroding streambank.

Why is the cost of the buyout so much higher than the appraised value?

The estimated cost was determined by the Office of Real Estate Services and includes the total anticipated project cost, which includes the appraised cost, estimated replacement housing, appraisal fees, closing costs, and demolition costs. The replacement housing is the biggest unknown factor in the cost estimate. Because 6903 Creighton Lane has deferred maintenance, buying a comparable house in the same neighborhood may cost more than the value of the current house.

Would a new buyer be able to buy the property and put another house there?

The property will be owned by Watershed Protection Department and would not be for sale. Additionally, current code requires an erosion hazard zone analysis to be performed (LDC 25-7-32), which would most require any new development on a property such as this one to either site the house away from the erosion hazard, or to provide protective works. This house was built in 1985, before erosion hazard zone criteria went into effect in 2013.

Is the erosion hazard zone a publically available map layer?

The exact erosion hazard zone is not a mapped layer, because it is site-specific and determined by an engineer following the criteria in the Drainage Criteria Manual Appendix E. A rough estimate of the potential erosion hazard zone can be visualized by the "Erosion Hazard Zone Review Buffer," which is a layer available on the city's Property Profile mapping website.

What will happen to the lot after it is bought out? Can it be a neighborhood pocket park?

The improvements would be demolished, and the erosion would be allowed to naturally progress. The lot would be revegetated and maintained by WPD as open space. While the current project does not include funding for any improvements and the usable space outside of the erosion hazard zone would be small, we would not be opposed to the neighborhood pursuing a pocket park there.

QUESTION: What is the history of this property? Are there other erosion sites nearby? What stakeholders were involved?

MAYOR STEVE ADLER'S OFFICE

ANSWER:

The property was developed in the 1980's, before the city had erosion hazard zone regulations. Records indicate that the first erosion complaint was received for the site in 2011, but it was not high priority at the time. WPD re-assessed the site in early 2015 and continued to monitor the site thereafter. Damage to the streambanks worsened as a result of the Memorial Day rains of 2015, at which time the site was prioritized for a project. WPD performed an alternatives analysis in 2016/2017 which evaluated the feasibility and cost of engineering solutions, and which recommended the buyout.

There are a few erosion sites nearby which threaten yards and fences, but not houses. This is the highest priority erosion site in the area due to the close proximity of the steep slope to the house and the height of the bank. Office of Real Estate Services has spoken directly to the property owner and they are interested in this voluntary buyout. Because this is a single property and no construction project is planned, no additional outreach to the neighborhood has been performed to date.

This site is located on a tributary to Little Walnut Creek. WPD has done multiple projects along the main stem of Little Walnut Creek and on several of its tributaries. Little Walnut Creek has a history of deepening and widening through erosion and these processes also affect its tributaries. A project is currently under construction along Marywood Circle to stabilize the eroding streambanks along the just south of Hwy 290. Past erosion projects in the area date to the early 2000's and include buyouts of multiple threatened homes along Bridgewater Drive, buyouts along Lakeside Drive, and bank stabilization along Langston Drive. This buyout will be the first erosion-related project along the Creighton Tributary to Little Walnut Creek.

- 20. Agenda Item #20:** Authorize negotiation and execution of a 25-year Parkland Improvement and Joint Access Agreement, with one 25-year renewal option, with YMCA of Austin for parking improvements located at Lamar Beach in Town Lake Metropolitan Park, in an amount not to exceed \$375,000.

QUESTION:

If we anticipate that the parking will be metered, where will the fees go? Will 100% come to the City General Fund, or will it be split some other way?

COUNCIL MEMBER ALTER'S OFFICE

ANSWER:

In partnership with the Transportation Department, a portion of the meter fees will be used to pay the Austin Transportation Department for administration of the meters. Following the administration fee obligation PARD intends to utilize the remaining meter fees for the

maintenance of the parking lot and any associated ponds and landscaping associates with the parking lot. It is important to note as proposed the YMCA will contribute 50% of this parking lot maintenance cost and the PARD will contribute the remaining 50% with the meter fees. In the rare instance that any meter fees remain, these fee would go to the City's General Fund.

- 25. Agenda Item #25:** Authorize award and execution of a multi-term contract with Underwater Construction Corporation, to provide underwater inspection and maintenance diving services, for up to five years for a total contract amount not to exceed \$1,060,500.

QUESTION: Why did AWU take over operations of the Longhorn Dam? And from whom did AWU take over operations?

MAYOR PRO TEM KATHIE TOVO'S OFFICE

ANSWER:

Operational responsibility for the Longhorn Dam shifted from Austin Energy (AE) to Austin Water (AW) this fiscal year. For many years, AE operated the Longhorn Dam to provide water to the Holly Power Plant. With the decommissioning and dismantling of Holly, AE no longer had a business need to operate the Longhorn Dam. An internal team composed of representatives from various City departments determined that AW was the agency best positioned to assume long term operational control of the facility. AE and AW worked collaboratively over the last year to transition the operations.

- 35. Agenda Item #35:** Approve a resolution directing the Manager to construct, build, or establish interim fire stations; to include funds to staff the interim fire stations in the recommended 2018-2019 budget; and, to develop a plan to fund, construct, and staff permanent fire stations.

QUESTION:

With the proposed language instructing the City Manager to construct, build or establish interim fire stations in at least the top two area of greatest need, within those identified areas, what actual sites are being considered for the interim structures? Please describe an interim structure? What will be required to be identified as an interim structure? What is the projected cost to provide the interim structures?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

See attachment.

QUESTION:

Would there be an impact on the priority ranking of the five fire stations if the City installed emergency vehicle preemption in the areas?

COUNCIL MEMBER ALTER'S OFFICE

ANSWER:

Response times vary from route to route and station to station, as do the benefits realized with emergency vehicle preemption (EVP). We do not have information that demonstrates how individual response times related to the five proposed fire stations may be impacted. The Austin Transportation Department's Arterial Management Division has reviewed national research that suggests a moderate decrease in response times of about 15% may occur with the installation of emergency vehicle preemption devices.

ATD currently works with the Fire Department to determine where they would like to see emergency vehicle preemption installed and has installed at least one detector at 140 signals citywide (of more than 1,000). The City applied for and received funding from CAMPO to install

EVP system-wide at all traffic signals, moving away from the piecemeal approach previously used. There may be a reduction in response times of about 15% for first responders when this technology is deployed, but the response times and EVP effectiveness varies based on a variety of factors. To support installation of next generation emergency vehicle preemption, ATD has also requested funding in the proposed 2018 Bond. If approved, this funding would be used for upgrading existing traffic signal controllers and firmware, enabling the City to improve the signal timing program with next generation emergency vehicle preemption, expanded transit signal priority features, and signal timing optimization.

While the role out of system wide EVP occurs, ATD will continue to work with AFD to identify immediate needs, including those associated with new temporary or permanent stations.

- 38. Agenda Item #38:** Approve a resolution supporting the City's efforts related to opioid abuse and directing the City Manager to identify resources necessary to bolster the City's ongoing efforts and provide related recommendations.

QUESTION: Do City of Austin librarians keep naloxone on-site in case an overdose occurs on library property?

MAYOR PRO TEM TOVO'S OFFICE

ANSWER:

No, not at this time. We have gotten a suggestion to perhaps do this, and have had some initial discussions with Risk Management. They suggested speaking to Austin Public Health and also noted that the Law Department should be consulted.

- 45. Agenda Item #45:** Set a public hearing to receive citizen comments on the City's draft Fiscal Year 2018-2019 Action Plan as required by the U.S. Department of Housing and Urban Development and required by Texas Local Government Code Chapter 373.

QUESTION:

How do the City of Austin programs funded through U.S. Department of Housing and Urban Development grants align with our Strategic Housing Blueprint?

COUNCIL MEMBER ALTER'S OFFICE

ANSWER:

NHCD will prepare a response to this question for the May 31, 2018, City Council Housing and Planning Committee meeting, and provide a memo to City Council with responsive information prior to the public hearing on the Action Plan scheduled for June 14, 2018.

- 68. Agenda Item #68:** Conduct a public hearing and consider an ordinance amending the Imagine Austin Comprehensive Plan by adopting the Austin Area Master Community Workforce Plan as an attachment.

QUESTION: What efforts would be undertaken to engage with employers in the Austin area in order to ensure that newly trained workers will be paid a living wage?

COUNCIL MEMBER POOL'S OFFICE

ANSWER:

The following response has been provided by Workforce Solutions, Capital Area. The Master Community Workforce Plan identifies three industry sectors which, according to Workforce Solutions' analysis of current local labor market information, offer significant opportunities for skilled workers to make a living wage. The Master Plan prioritizes strategies that connect people to these training opportunities, through training completion, and onto career pathways that ultimately lead to middle-class wages.

The Master Community Workforce Plan notes the following actions and efforts to ensure that trained workers will be paid a living wage:

- The Plan identified over 100 occupations that align with the targeted industry sectors of Information Technology, Healthcare, and Skilled Trades/Advanced Manufacturing. A subset of these occupations are on Workforce Solutions' Target Occupation List, which means these qualify for public tuition support, and by definition directly align with occupations that pay living wages at entry or mid-level points in the jobs.
- The Plan engaged Business Industry Hubs whereby business leaders from each sector come together to discuss their workforce "pain points" and shared opportunities. Often, the first concern relates to recruitment, and the Master Plan offers an opportunity to present prevailing wage information to employers in order to ensure that they have data to understand the link between wages and recruitment/retention.
- Strategy Four of the Master Plan targets upskilling entry-level, low-wage workers with job training opportunities that benefit both workers and employers. These upskilling opportunities will prioritize employers who have committed to providing prevailing wages to workers upon skills attainment.
- Under a data aggregation and evaluation contract with the University of Texas at Austin Ray Marshall Center, Workforce Solutions will be able to evaluate specific training programs and outcomes in order to determine whether trainees are earning wages consistent with prevailing wages for those occupations, including which individuals may not yet be making a living wage. This data platform will allow the community of workforce service providers and Workforce Solutions to enter into discussions with both trainers and employers to understand where and why any wage disconnects exist, taking appropriate action needed to recalibrate within the Master Plan.
- The Master Plan envisions a communications platform that will allow the community to recognize and "hold up" examples of exemplary employers who are modeling intended "hire local" philosophy, including paying living wages to their new or promoted hires.

- 71. Agenda Item #71:** Authorize negotiation and execution of multi-term cooperative contracts with Haworth Inc., Herman Miller Inc., Knoll Inc., The Hon Company, Southern Aluminum Manufacturing Corp. D/B/A Southern Aluminum, Steelcase Inc. and Trendway Corp. and their manufacturer approved distributors, to provide furniture including installation and other related services, for up to five years for total contract amounts not to exceed \$16,446,000 divided among the contractors.

QUESTION:

Since no matrix & score came in the back up, could you expand on why these particular firms were chosen? They were all 'good' companies, & in looking at 'universal' CoA needs each suited our quality & cost needs? What were our reasons for choosing these firms/products - aside from the environmental/emissions factor (& could you elaborate a little on that as well? Is that part of what drives the cost, & other firms' products would/could bring an unhealthy interior environment?)

(In coming to a defined standard, are these the firms & products we have been using & noted as superior? Is changing to the multi-firm as they now provide to our defined standard, the main reason for changing from our previous purchasing method & format for furniture?)

What do we anticipate the new furniture functions over the next five years, per year? :
Were the firms chosen for the individual & varying needs of the departments that will need furnishing or refurbishing?

Are 'insurance' &/or 'third person' services part of the contract costs? (before furniture is moved in an office or facility, contact made with the supplier, & their service personnel is sent to actually facilitate/implement any furniture 'relocating')

Would it be possible just to break down this contract's costs a little more specifically?

COUNCIL MEMBER GARZA'S OFFICE

ANSWER:

Cooperative contracts are often used as they provide the best value for items with high volume discounts such as furniture. The previous contracts for furniture were also procured through Cooperative contracts; however, they allowed for the use of a large amount of manufacturers, reducing the benefits gained through volume purchasing. When planning for the new contracts, it was determined that narrowing the options to fewer manufacturers would be of greater value to the City.

Standardizing to fewer lines allows the City to aggregate spending with these manufacturers, leading to reduced cost as well as resulting in more compatibility between City departments allowing for increased re-use and reconfiguration options. The recommendations for these manufactures are based on the spend per manufacturer on the previous contracts and the current furniture installations in city departments with the largest spend. The selected manufacturers represent almost 95% of the spend on the previous contracts and also represent the needs of the departments with the highest furniture expenditures over the previous contracts which include Building Services, Aviation, Austin Energy, Austin Convention Center, Austin Public Library and the Austin Police Department. Sustainability attributes of each of these manufacturers were also taken into consideration:

- 1) Haworth
 - i. Level 3 Certification
 - ii. GREENGUARD
 - iii. Forest Stewardship Council Certified Wood

- 2) Herman Miller
 - i. Level Certificate
 - ii. Forest Stewardship Council Chain of Custody Certification
 - iii. GREENGUARD Certification

- 3) HON
 - i. Level 2 Certificate
 - ii. Indoor Advantage Gold
 - iii. Healthier Hospitals Healthy Interiors Goal v2.0 Chemicals Challenge

- 4) Knoll
 - i. Rated SMaRT Sustainable Platinum
 - ii. BIFMA Level 3 Certified
 - iii. GREENGUARD and GREENGUARD Gold Certified
 - iv. Can contribute to achieving 4 LEED Credits

- 5) Southern Aluminum
 - i. 100% Recyclable

- ii. 70% Recycled Content

6) Steelcase

- i. Cradle to Cradle Silver
- ii. Cradle to Cradle Bronze
- iii. Level 1 Certificate
- iv. Level 2 Certificate
- v. Scientific Certification System Indoor Air Quality Gold and Indoor Air Advantage Certified

7) Trendway

- i. Level 1 Certificate
- ii. Scientific Certification System Indoor Air Quality Indoor Air Advantage Certified

A copy of the City's furniture sustainability requirements is included as an attachment.

The authorization amount is an estimated amount, not based on specific projects at this time, and is contingent on the funding approved in each year's budget. It is also based on past historical spend by departments as well as some planned large projects in departments including the Austin Public Library, Austin Energy and Aviation. The contracts include the purchase of furniture as well as installation and other related services. In order to maintain the warranty on the products purchased, some of the manufacturers require or strongly recommend that one of their authorized resellers perform any relocations or reconfigurations of the furniture, so this service is also included in the contracts.



Recommendation for Action

File #: 18-2263, **Agenda Item #:** TIF #17

5/24/2018

Agenda Item

Agenda Items #11-16: Tax Increment Financing Reinvestment Zone (TIRZ) No. 17 (Waller Creek related items).

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COUNCIL MEMBER ALTER'S OFFICE

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QUESTION:

Additional questions by COUNCIL MEMBER FLANNIGAN'S OFFICE - see attachment.

ANSWER:

See attachment.



Council Question and Answer

Related To	Waller Creek TIF related Items	Meeting Date	May 24, 2018
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Additional Answer Information

QUESTION/ANSWERS: QUESTIONS AND RESPONSES ARE BROKEN UP BY THE SPECIFIC ITEM, ATTACHMENT OR PAGE NUMBER OF AN ATTACHMENT THEY ARE RELATED TO.

ANSWER:

1) *Is there a difference between Tax Increment Financing (TIF) and a Tax Increment Reinvestment Zone (TIRZ)?*

They are often used interchangeably. A Tax Increment Reinvestment Zone (TIRZ) is the statutory financing mechanism under Texas Tax Code Chapter 311 and is a political subdivision of a municipality or county in the state of Texas created to implement tax increment financing (TIF). Tax increment financing (TIF) is a public financing method that is used as a subsidy for redevelopment, infrastructure, and other improvement projects, and is based on “value capture”.

Item 11

2) *The TIRZ board was created with a Travis County representative in 2007. Is that representative staying or is the new TIRZ board just the City Council?*

Yes, Travis County joined the Waller Creek TIRZ #17, and contributes 50% of their incremental property tax revenue. They will contribute through 2028. Because this is an amendment to existing TIRZ, they continue to have a representative on the Board.

3) *The ordinance in backup says that the City is the only contributing entity to the TIRZ, but isn't Travis County part of the original TIRZ #17?*

Travis County is a contributing entity (50% of their incremental property tax) for the Waller Creek Tunnel. Their payments go through 2028. They are not a contributing entity for this Amendment #2 for the Waller Creek Chain of Parks.

Item 12

4) *The Waller Creek Conservancy is responsible for \$203 million in private contributions? Would that make this the largest private capital campaign in Austin history?*

Yes. Waller Creek Conservancy would be contributing \$93.7 million toward the capital infrastructure and \$109.3 million towards O&M expenses (estimated through 2041). It is their understanding that this would be one of the largest private capital campaign in Austin.

Item 13

5) *What is the relationship between the Council, the Waller Creek District (District), Waller Creek Conservancy (Conservancy), Waller Creek Local Government Corporation (LGC), TIF, and TIRZ? I see these terms used throughout the documents.*

As described in the Joint Development Agreement (JDA), between the City of Austin and Waller Creek Conservancy (WCC), WCC's role (JDA Article 2 Section 2.01 (C)), is described as management of design, construction, operation, maintenance, community and public relations activities that are approved in phase plans by the Local Government Corporation (LGC). WCC is also responsible for fundraising. WCC will manage the day to day operations as set out in the operating agreement.

The LGC's role (JDA Article 2, Section 2.01(D)), is to oversee the improvements in the District, the work under the phase plans, the use of city funds (i.e. TIRZ funds) or LGC funds for projects and operations, to carry out the decisions made by the city and the conservancy with respect to the common goals and the public purpose of the project, to provide council with updates on the projects, and to have open meetings to consider the phase plans and any other actions they are taking to provide transparency for the projects. It should be noted that all City funding used for these projects is approved by City Council.

The Tax Increment Reinvestment Zone (TIRZ) is the statutory financing mechanism under Texas Tax Code Chapter 311 that provides for a portion of the funding for the overall project and financing plan. A TIRZ is a political subdivision of a municipality or county in the state of Texas created to implement tax increment financing (TIF). Tax increment financing (TIF) is a public financing method that is used as a subsidy for redevelopment, infrastructure, and other improvement projects.

Revenue from TIRZ #17 will be used to support projects/work under the "phase plans" that the LGC oversees. Again, all City funding used for these projects – including debt supported by TIRZ#17 revenue – is approved by City Council.

Item 15

6) *Where can I see in the documentation that the debt reimbursement covers any interest paid on the \$25 million being issued as Certificates of Obligation (Cos)? Does "reimburse itself for all costs that have been paid" include interest or just fees related to issuing bonds?*

This Reimbursement Resolution (RR) is a tool the City uses per financial policy to manage cash flow. It allows the City to appropriate funds, and then issue the debt (in this case Certificates of Obligation paid by TIRZ #17 revenue) synced up with cash flow needs. While there are no additional documents associated with this RR, "all costs" would include the principal and interest plus fees.

Item 16

7) *What is the current makeup of the LGC board?*

City = City of Austin

WCC = Waller Creek Conservancy

City- Joe Pantalione - President

WCC - Tom Meredith - Vice President

WCC - Melba Whatley - Secretary

City - Carla Steffen - Treasurer

City - Lucia Athens

WCC - Melanie Barnes

City - Rodney Gonzales

WCC - Martha Smiley

WCC - Allan Shearer

8) *Is it common for the City's members to be appointed by the Manager and not require council approval?*

The appointments for this LGC have been both "City Manager Designee" and a specific named City representative. The WCC appointees have been approved by City Council.

9) *Does the LGC get audited? What is the mechanism for Council oversight of this body?*

No, the Waller Creek Local Government Corporation (LGC) does not currently get audited. To date, the LGC has served in an oversight/governance role, and has not issued any debt – therefore not subject to audits. However, all City funds related to TIRZ #17 are part of the City's audit, and the Waller Creek Conservancy (WCC) is required by the Joint Development Agreement (JDA) to be audited annually; the latest WCC audit has been provided to the City. In addition, the City and the LGC may audit the WCC's compliance with the JDA. It should be noted that all City funding – including debt supported by TIRZ #17 revenue - used for these projects is approved by City Council.

All LGC meetings are public meetings, and all information related to the LGC is posted online; the LGC provides bi-annual progress reports to City Council.

Amendment No. 2 to Final Project Plan and Reinvestment Zone Financing Plan Document

Page 10

10) *What are the non-project costs that will be paid for out of existing city funds? Does that include any estimates in increased General Fund requirements to support new development? Thinking specifically about Austin Fire Department equipment and Fire Station No. 1 but could impact other areas. Where is that estimate? See page 22.*

"Non-Project Costs" in this context means non-TIRZ supported projects included in the Project Plan. The full \$355 million plan for the Chain of Parks is funded by a combination of Private and public funds. The City has already allocated \$41.1 million in other funding (\$27.6 million from Drainage CIP and \$13.0 million from 2012 Parks Bonds and \$0.5 million from Parkland Dedication Fees) for the Waller Creek Chain of Parks; Amendment No. 2 will allow up to a maximum of \$110 million in new funding – to be funded by Certificates of Obligation, serviced by TIRZ revenue. The WCC will be responsible for \$93.7 million in capital costs, as well as all of the O&M related costs, or \$109.7 million

11) *Contributions from Downtown Austin Alliance (DAA)? What is the DAA's portion and are they legally required to participate*

The Waller Creek Conservancy is committed to funding O&M for the Chain of Parks. This will come from three categories: earned revenue in the parks, fundraising, and the Downtown Austin Alliance (DAA). DAA will be using PID revenue paid by private landowners. WCC and the DAA have signed a Memorandum of Understanding (MOU) regarding this commitment; this MOU is attached.

Page 11

12) *What is the \$41,100,000 of City of Austin costs that is not attributed to the TIRZ?*

See #10 above

Page 12

13) *What happens to the \$75 million remaining balance? Am I right in seeing it match the end balance in Exhibit E if the \$10 million reserve fund is not included in Exhibit E?*

Any balances at the end of the term of TIRZ would be returned to the General Fund. And yes, for planning purposes on servicing debt supported by the TIRZ, we are assuming that \$10 million of on-going balances are held in reserve.

Page 13

14) *The TIF will capture both the increased valuation AND increases in the tax rate? Or does the base valuation still apply to whatever tax rate is applied by future City Councils?*

Once a TIRZ and capture % has been set, the property tax revenue generated in each from the parcels included in the TIRZ boundary are deposited in the TIRZ Fund. The calculation is done by taking the current year property valuation less the property valuation that was the "Base Year" of the TIRZ, and then apply the current year tax rate calculation.

15) *The tax rate listed on this page (0.4571) does not match the 0.4400 listed in the footnote of Exhibit E*

This is a typo. Sentence before says "tax rate(s) currently in effect", i.e. current year tax rate. It should read \$0.4448 / \$100.

This is different than assumption of \$0.4400 / \$100 that was used to project revenue out in the future.

Page 20

16) *Tourism impact? The market analysis focused on property tax, I assume because that's the TIF mechanism. But is there any related tourism impact analysis to HOT and sales tax?*

The TIF analysis study does not address tourism/hospitality. While the study does not forecast any hotel demand, any hotel that would be built in the TIRZ would benefit the TIRZ revenue.

Likewise, no analysis was completed on additional sales tax and hotel tax.

Page 21

17) *How are the development projections compatible with CodeNext, affordable housing, and Capitol View Corridor (CVC) limitations? Could it suppress the resulting taxable value that is funding the TIF?*

The study assumes current zoning and current density programs. The most recent version CodeNext maps are consistent with current Central Business District (CBD) zoning.

The Capitol View Corridor is taken into account in the TIF Analysis report. Using other recent analysis completed (i.e. the 2010 Downtown Master Plan, Downtown Austin Alliance parking study), CMR was able to assess the FAR for each parcel, and thus the ability to absorb additional new development.

Page 22

18) *What are the related costs to the city for this density. We know it's less than the total property tax collected but is it incrementally more than the baseline amount still coming to the general fund? See Page 10*

The economic studies included as back-up in this Financing Plan did not analyze density costs. Literature does indicate that the valuation increases will occur beyond the boundaries of TIRZ #17; as such, increased tax revenue

associated with those properties outside the TIRZ would benefit the General Fund.

Page 26

19) *Chart of CBD vs. city tax base: is this chart using slightly different numbers compared to the one staff presented on August 29th 2017 (Slide 10 of "Initial Financing Framework for Downtown Investments")? FY14 and FY15 especially look different.*

The information provided by staff on August 29th 2017, and then on February 27th (slide 7) was based on information from the Travis Central Appraisal District (TCAD). The consultant who worked on this report, TXP, used a similar data set. It appears as if FY14 and FY15 are transposed in their report.

Page 61

20) *Are we assuming continuing positive market conditions? What would future City Councils be faced with in a market downturn?*

As with other financial projections we work on – sales tax, debt capacity – staff takes a conservative approach to looking at growth in value. While Amendment No. 2 allows for up to an additional \$110 million of debt to be issued, the debt will be issued over the course of 5-8 years; prior to each appropriation (and subsequent sale of the debt), staff will assess the financial performance of the TIRZ.

Page 63 (page 101 of PDF document)

21) *How much of the TIF boundary is CVC limited?*

Please see attached map.

22) *Within TIF boundary, there's 9.4 million sq. ft. development potential. But within the Waller Parks District, only 8.6 million sq. ft.?*

The 9.4 million is typo. Should read 8.6 million square ft.

Page 104

23) *The analysis uses only office, multi-family, and condos. Why weren't the impact of new hotels included in the analysis?*

Capital Market Research does not forecast tourism/hospitality demand and absorption. There are already several hotels in the TIRZ boundaries. Any hotel that would be built in the TIRZ would benefit the TIRZ revenue.

24) *Current TIF area has a taxable value of \$779 million (first paragraph). But chart on page 107 says \$1.1 billion.*

It appears as if the \$779 million refers to the captured value (amount above base year of 2007), and the \$1.1 billion refers to the full taxable value (including base year).

Exhibit E

25) *Should the "Captured City Assessed Valuation" equal the COA taxable value from Table 35 minus the base valuation of \$236,000?*

The Capitol Market Research (CMR) Tax Increment Analysis Report forms the basis for this Exhibit E; staff used the

projections provided from Table 35 in the CMR report, but uses more conservative assumptions about future growth.

26) *Are we assuming that the city's tax rate will stay at \$ 0.4400 in perpetuity?*

For estimation purposes, we assume a constant tax rate. Typically, if the tax rate is lower than this, it is due to higher assessed valuation growth, but revenue would be similar.

27) *Can we see a chart of the estimated debt service payments remaining on the Tunnel project? There appears to be a balloon payment in FY29.*

See attached.

Amendment No 1 to TIRZ #17 has a duration through 2028; per the terms of agreement between the City and County, revenue would be collected through that year. However, the debt service on the \$106 million for the Waller Creek Tunnel continues through 2041. When Amendment No 1 was crafted, the intent was to collect the TIRZ revenue through 2028, then use the built-up fund balance to make the continued annual debt service payments through 2041.

28) *Is there a chart of the estimated debt issuance schedule and project schedule that is used to calculate "Estimated Debt Service on \$110 million".*

See attached.

Other questions

29) *Zoning and affordable housing requirements in the TIF – could it suppress the resulting taxable value that is funding the TIF?*

Current zoning in the TIRZ is assumed to continue. The overall analysis was based on market absorption forecasting; any specific project in the future that may utilize affordable housing tools (i.e. density bonus) was not individually projected, but those overall programs are factored into overall absorption of market demand.

30) *Where is the schedule of required fundraising for the Waller Creek Conservancy? What happens if they miss those targets? Are there any debt issuance schedule assumptions relying on their fundraising (we wouldn't build a new section if they don't have the money to maintain it, for example)?*

Amendments to the City/WCC Joint Development Agreement will spell out fundraising requirements for the Conservancy. As each project moves forward – first with City Council approved funding, then through the Local Government Corporation phase plan approval process – fundraising pledges will need to be in place, prior to moving forward with letting construction contracts.

Please see attached schedule showing WCC fundraising timeline.

31) *Would any subsequent redevelopment of the courthouse site or Austin Police Department (APD) HQ site be in conflict with other ordinances that dedicate development on public land to the housing trust fund?*

Any transaction/redevelopment on the APD HQ site or Municipal Court site would occur in the future. Current City Council resolution calls for 100% of all annual property tax revenue to be deposited in the Housing Trust Fund.

32) Would bond issuance requirements prevent the City Council / TIRZ Board from changing the capture rate in the future or returning some of the TIF-collected funds back to the general fund before the expiration of the TIF?

The Certificates of Obligation that would be issued as part of the Amendment No. 2 would, like other debt, be backed by the “full faith and credit” of the City.

If at a future date (no earlier than 2029), but prior to final debt service payments, it was determined there were excess funds in the TIRZ above all necessary remaining debt service payments, it would be possible for those funds to be transferred to the City by a termination of the TIRZ. Again, it would be required to have a funding source – either existing balances in the TIRZ fund or other City funding – to service all remaining debt service payments.

MEMORANDUM OF UNDERSTANDING

WHEREAS, the Waller Creek Conservancy (WCC) and the Downtown Austin Alliance (Downtown Alliance) have a shared interest in the maintenance and operations of a world-class chain of parks along Waller Creek (the "Waller Creek Parks"); and

WHEREAS, the Downtown Alliance currently manages the Downtown Public Improvement District (PID) on behalf of the owners of real property located within the Central Business District on a 10-year term that is up for reauthorization on May 1, 2023; and

WHEREAS, the WCC and the Downtown Alliance intend to potentially dedicate PID funds to include funding for the operations, maintenance, marketing, and programming of the Waller Creek Parks (the "O&M Costs"); and

WHEREAS, the WCC and Downtown Alliance will explore options to expand and enhance PID revenues within the Waller Creek District to include, but not limited to: opportunities for annexation/expansion of the Downtown PID; the establishment of new Public Improvement District(s); the establishment of a new Municipal Management District; the dedication of incremental increases in existing PID revenues; and/or an agreed upon annual allocation of PID revenues; and

WHEREAS, it is the intention of the parties that O&M Costs of the Waller Creek Parks be funded annually through three equal revenue sources: the private assessments (1/3 of total O&M cost), private philanthropy (1/3 of total O&M cost), and income earned from the Waller Creek Parks (1/3 of total O&M cost); and

WHEREAS, the WCC and Downtown Alliance acknowledge that any PID contribution to O&M needs to be phased over time in alignment with the phased opening of the Waller Creek Parks beginning in 2020; and

WHEREAS, the Downtown Alliance and WCC understand that the PID must be reauthorized on a periodic basis in five (5) to ten (10) year increments;

THEREFORE,

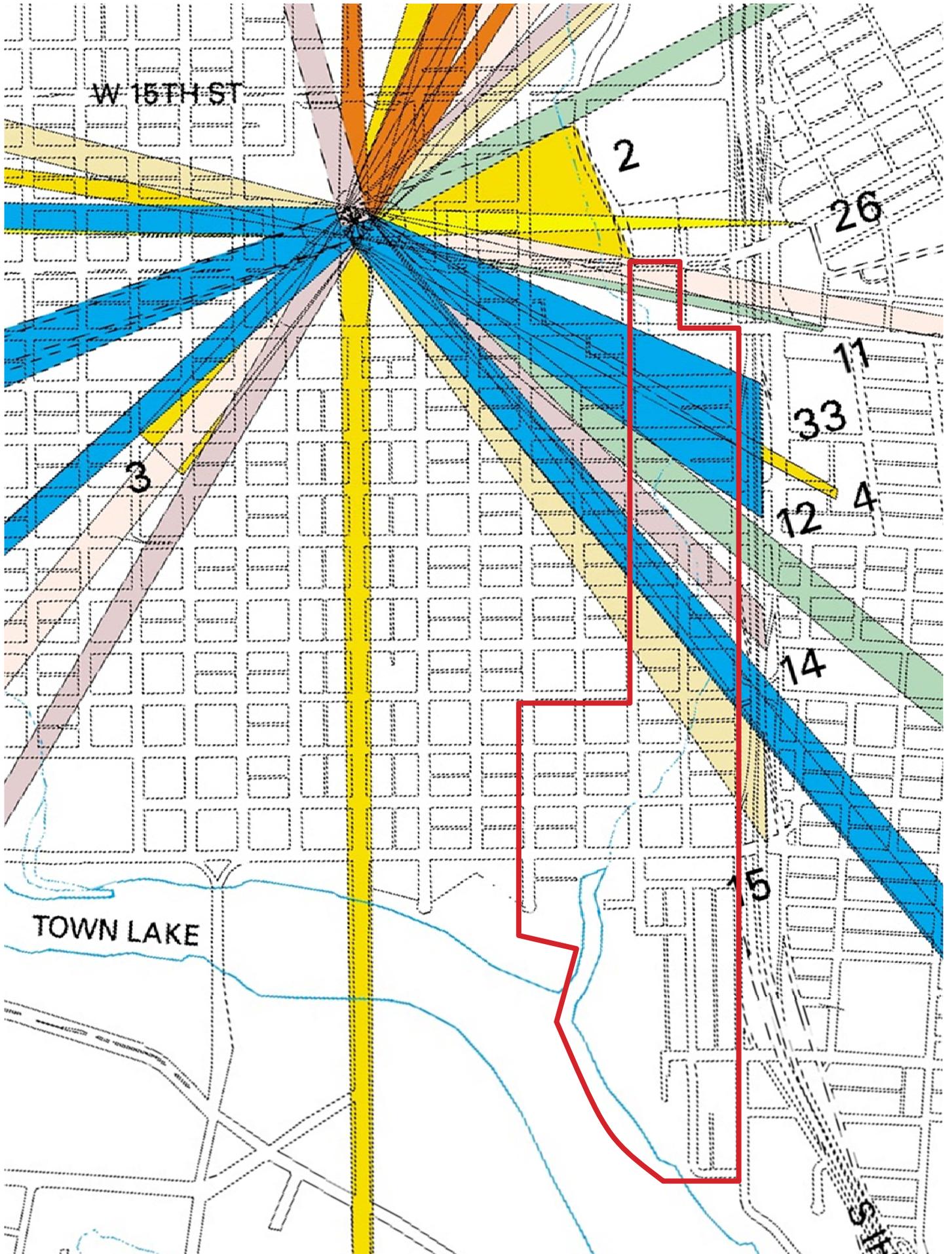
This Memorandum of Understanding shall memorialize the commitment from the Downtown Alliance and WCC to explore the above opportunities with a common goal of causing incremental PID revenues or other private assessment to fund 1/3 of O&M Costs for the Waller Creek Parks. Work on this effort will begin immediately, with periodic updates to WCC and Downtown Alliance boards and committees and City staff as appropriate.

Dated this 12 day of April, 2018.

Signed,


Dewitt Peart
CEO, Downtown Austin Alliance


Peter Mullan
CEO, Waller Creek Conservancy



Attachment for Question 27

Debt Service for Waller Creek Tunnel

Fiscal Year	Series 2011/FY12	Series 2012/FY13	Series 2013/FY14	Series 2014/FY15	Series 2015/FY16	Total Debt Service
	Issuance 35,000,000	Issuance 10,000,000	Issuance 25,000,000	Issuance 25,000,000	Issuance 11,055,000	
2012	1,380,613					1,380,613
2013	1,380,613	316,107				1,696,720
2014	1,975,613	316,107	1,049,481			3,341,201
2015	1,992,763	610,227	1,049,481	1,700,912		5,353,382
2016	2,003,863	615,225	1,804,481	1,623,470	753,688	6,800,727
2017	2,019,063	611,075	1,804,281	1,635,862	760,436	6,830,717
2018	2,033,213	611,775	1,797,881	1,639,694	759,766	6,842,329
2019	2,046,313	608,975	1,785,481	1,647,806	759,986	6,848,561
2020	2,063,363	655,775	1,782,281	1,656,211	760,699	6,918,329
2021	2,079,213	600,175	1,772,881	1,664,122	760,534	6,876,926
2022	2,093,863	646,175	1,762,481	1,674,629	760,589	6,937,737
2023	2,111,206	589,775	1,756,981	1,681,829	760,809	6,900,601
2024	2,127,144	589,975	1,744,481	1,694,190	760,041	6,915,831
2025	2,138,144	584,575	1,732,469	1,704,574	760,480	6,920,241
2026	2,147,144	678,775	1,727,294	1,718,171	760,052	7,031,435
2027	2,148,394	678,625	1,713,481	1,728,523	759,777	7,028,800
2028	2,146,894	708,025	1,706,081	1,738,721	760,546	7,060,266
2029	2,159,494	686,075	1,692,281	1,751,700	760,051	7,049,601
2030	2,174,694	689,275	1,682,281	1,770,241	760,491	7,076,982
2031	2,187,294	766,875	1,669,431	1,781,520	760,656	7,165,777
2032	2,197,294	751,625	1,658,644	1,794,963	760,491	7,163,017
2033	2,214,694	356,225	1,646,156	1,810,260	759,942	6,787,276
2034	2,229,094	351,694	1,635,375	1,833,282	760,052	6,809,497
2035	2,243,506	347,006	1,617,625		760,712	4,968,849
2036	2,259,619	341,769	1,601,425			4,202,813
2037	2,272,225	335,969	1,588,200			4,196,394
2038	2,289,025		1,572,725			3,861,750
2039	2,301,788					2,301,788
2040	2,315,513					2,315,513
2041	2,329,988					2,329,988
TOTAL	63,061,638	14,047,879	41,353,663	34,250,680	15,199,800	167,913,659

Attachment for Question 28

Estimated Debt Service for \$110 Million

Tax Year	Fiscal Year	Series 2019 25,000,000	Series 2021 30,000,000	Series 2023 30,000,000	Series 2025 25,000,000	Total 110,000,000
2011	2012					
2012	2013					
2013	2014					
2014	2015					
2015	2016					
2016	2017					
2017	2018					
2018	2019					
2019	2020	1,250,000				1,250,000
2020	2021	1,250,000				1,250,000
2021	2022	1,500,000	1,500,000			3,000,000
2022	2023	1,737,500	1,500,000			3,237,500
2023	2024	2,237,500	1,750,000	1,575,000		5,562,500
2024	2025	2,236,250	1,987,500	1,575,000		5,798,750
2025	2026	2,237,500	2,697,500	1,975,000	1,312,500	8,222,500
2026	2027	2,236,000	2,770,750	2,354,000	1,312,500	8,673,250
2027	2028	2,236,750	2,700,750	2,957,000	1,712,500	9,607,000
2028	2029	2,239,500	2,697,500	2,956,138	2,091,500	9,984,638
2029	2030	2,239,000	2,696,000	2,956,338	2,724,500	10,615,838
2030	2031	2,235,250	2,701,000	2,957,338	2,722,063	10,615,651
2031	2032	2,238,250	2,697,000	2,953,875	2,720,688	10,609,813
2032	2033	2,237,500	2,699,250	2,955,950	2,720,113	10,612,813
2033	2034	2,238,000	2,697,250	2,953,038	2,725,075	10,613,363
2034	2035	2,239,500	2,701,000	2,955,138	2,725,050	10,620,688
2035	2036	2,236,750	2,700,000	2,956,725	2,725,038	10,618,513
2036	2037	2,239,750	2,699,250	2,957,538	2,724,775	10,621,313
2037	2038	2,238,000	2,698,500	2,957,313	2,724,000	10,617,813
2038	2039	2,236,500	2,697,500	2,955,788	2,722,450	10,612,238
2039	2040		2,701,000	2,957,700	2,724,863	8,383,563
2040	2041		2,698,500	2,957,525	2,720,713	8,376,738
TOTAL		41,539,500	49,990,250	48,866,404	39,108,328	179,504,482

Attachment for Question 30

WALLER CREEK CONSERVANCY FUNDRAISING SCHEDULE THRU 2026

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	May 2018	Oct 2018	Oct 2019	Oct 2020	Oct 2021	Oct 2022	Oct 2023	Oct 2024	Oct 2025	Oct 2026
Private Fundraising Milestones*	\$ 25.0	\$ 15.0	\$ 15.0	\$ 10.0	\$ 10.0	\$ 10.0	\$ 10.0	\$ 4.0	\$ 5.0	\$ 6.0
Private Cumulative Subtotal		\$ 40.0	\$ 55.0	\$ 65.0	\$ 75.0	\$ 85.0	\$ 95.0	\$ 99.0	\$ 104.0	\$ 110.0

* Private fundraising includes capital and operating fundraising. Milestones to be reported by August 1 preceding any given City budget year.



Recommendation for Action

File #: 18-2249, **Agenda Item #:** 16.

5/24/2018

Agenda Item

Agenda Item #16: Approve a resolution amending the Waller Creek Local Government Corporation's Articles of Incorporation and Bylaws to appoint one additional City Manager designee as a director to the board of the corporation from the City of Austin (Related to Items 11, 12, 13, 14, 15, 67, and TIF #1).

QUESTION:

Please describe the division of decision-making power as it pertains to the Waller Creek Conservancy and the Local Government Corporation.

MAYOR PRO TEM TOVO'S OFFICE

ANSWER:

As described in the Joint Development Agreement (JDA), between the City of Austin and Waller Creek Conservancy (WCC), WCC's role (JDA Article 2 Section 2.01 (C)), is described as management of design, construction, operation, maintenance, community and public relations activities that are approved in phase plans by the Local Government Corporation (LGC). WCC is also responsible for fundraising. WCC will manage the day to day operations as set out in the operating agreement.

The LGC's role (JDA Article 2, Section 2.01(D)), is to oversee the improvements in the District, the work under the phase plans, the use of city funds (i.e. TIRZ funds) or LGC funds for projects and operations, to carry out the decisions made by the city and the conservancy with respect to the common goals and the public purpose of the project, to provide council with updates on the projects, and to have open meetings to consider the phase plans and any other actions they are taking to provide transparency for the projects. It should be noted that all City funding - including debt supported by TIRZ #17 revenue - used for these projects is approved by City Council.

All LGC meetings are public meetings, and all information related to the LGC is posted online; the LGC provides bi-annual progress reports to City Council.



Recommendation for Action

File #: 18-2232, Agenda Item #: 18.

5/24/2018

Agenda Item

Agenda Item #18: Approve an ordinance authorizing the negotiation and execution of all documents and instruments necessary or desirable to purchase one property at high risk of erosion, located at 6903 Creighton Lane, Austin, Texas 78723 Lot 4, Block 6, University Hills, section two, phase three, in a total amount not to exceed \$524,626, establishing acquisition and relocation guidelines, and waiving the requirements of City Code Chapter 14-3.

QUESTION: Other properties in the area are more fully in the floodplain than this one. Why did we choose this one? Why is the cost of the buyout so much higher than the appraised value? Would a new buyer be able to buy the property and put another house there? Is the erosion hazard zone a publically available map layer? What will happen to the lot after it is bought out? Can it be a neighborhood pocket park?

COUNCIL MEMBER KITCHEN'S OFFICE

ANSWER:

Other properties in the area are more fully in the floodplain than this one. Why did we choose this one?

In contrast to the flood buyouts WPD does, this is an erosion buyout. The eroding streambank is in close proximity to the house on this property therefore the erosion hazard is much higher than on neighboring properties, where the houses are much farther away from the eroding streambank.

Why is the cost of the buyout so much higher than the appraised value?

The estimated cost was determined by the Office of Real Estate Services and includes the total anticipated project cost, which includes the appraised cost, estimated replacement housing, appraisal fees, closing costs, and demolition costs. The replacement housing is the biggest unknown factor in the cost estimate. Because 6903 Creighton Lane has deferred maintenance, buying a comparable house in the same neighborhood may cost more than the value of the current house.

Would a new buyer be able to buy the property and put another house there?

The property will be owned by Watershed Protection Department and would not be for sale. Additionally, current code requires an erosion hazard zone analysis to be performed (LDC 25-7-32), which would most require any new development on a property such as this one to either site the house away from the erosion hazard, or to provide protective works. This house was built in 1985, before erosion hazard zone criteria went into effect in 2013.

Is the erosion hazard zone a publically available map layer?

The exact erosion hazard zone is not a mapped layer, because it is site-specific and determined by an engineer following the criteria in the Drainage Criteria Manual Appendix E. A rough estimate of the potential erosion hazard zone can be visualized by the "Erosion Hazard Zone Review Buffer," which is a layer available on the city's Property Profile mapping website.

What will happen to the lot after it is bought out? Can it be a neighborhood pocket park?

The improvements would be demolished, and the erosion would be allowed to naturally progress. The lot would be revegetated and maintained by WPD as open space. While the current project does not include funding for any

improvements and the usable space outside of the erosion hazard zone would be small, we would not be opposed to the neighborhood pursuing a pocket park there.

QUESTION: What is the history of this property? Are there other erosion sites nearby? What stakeholders were involved?

MAYOR STEVE ADLER'S OFFICE

ANSWER:

The property was developed in the 1980's, before the city had erosion hazard zone regulations. Records indicate that the first erosion complaint was received for the site in 2011, but it was not high priority at the time. WPD re-assessed the site in early 2015 and continued to monitor the site thereafter. Damage to the streambanks worsened as a result of the Memorial Day rains of 2015, at which time the site was prioritized for a project. WPD performed an alternatives analysis in 2016/2017 which evaluated the feasibility and cost of engineering solutions, and which recommended the buyout.

There are a few erosion sites nearby which threaten yards and fences, but not houses. This is the highest priority erosion site in the area due to the close proximity of the steep slope to the house and the height of the bank. Office of Real Estate Services has spoken directly to the property owner and they are interested in this voluntary buyout. Because this is a single property and no construction project is planned, no additional outreach to the neighborhood has been performed to date.

This site is located on a tributary to Little Walnut Creek. WPD has done multiple projects along the main stem of Little Walnut Creek and on several of its tributaries. Little Walnut Creek has a history of deepening and widening through erosion and these processes also affect its tributaries. A project is currently under construction along Marywood Circle to stabilize the eroding streambanks along the just south of Hwy 290. Past erosion projects in the area date to the early 2000's and include buyouts of multiple threatened homes along Bridgewater Drive, buyouts along Lakeside Drive, and bank stabilization along Langston Drive. This buyout will be the first erosion-related project along the Creighton Tributary to Little Walnut Creek.



Recommendation for Action

File #: 18-2289, **Agenda Item #:** 20.

5/24/2018

Agenda Item

Agenda Item #20: Authorize negotiation and execution of a 25-year Parkland Improvement and Joint Access Agreement, with one 25-year renewal option, with YMCA of Austin for parking improvements located at Lamar Beach in Town Lake Metropolitan Park, in an amount not to exceed \$375,000.

QUESTION:

If we anticipate that the parking will be metered, where will the fees go? Will 100% come to the City General Fund, or will it be split some other way?

COUNCIL MEMBER ALTER'S OFFICE

ANSWER:

In partnership with the Transportation Department, a portion of the meter fees will be used to pay the Austin Transportation Department for administration of the meters. Following the administration fee obligation PARD intends to utilize the remaining meter fees for the maintenance of the parking lot and any associated ponds and landscaping associates with the parking lot. It is important to note as proposed the YMCA will contribute 50% of this parking lot maintenance cost and the PARD will contribute the remaining 50% with the meter fees. In the rare instance that any meter fees remain, these fee would go to the City's General Fund.



Recommendation for Action

File #: 18-2217, **Agenda Item #:** 25.

5/24/2018

Agenda Item

Agenda Item #25: Authorize award and execution of a multi-term contract with Underwater Construction Corporation, to provide underwater inspection and maintenance diving services, for up to five years for a total contract amount not to exceed \$1,060,500.

QUESTION: Why did AWU take over operations of the Longhorn Dam? And from whom did AWU take over operations?
MAYOR PRO TEM KATHIE TOVO'S OFFICE

ANSWER:

Operational responsibility for the Longhorn Dam shifted from Austin Energy (AE) to Austin Water (AW) this fiscal year. For many years, AE operated the Longhorn Dam to provide water to the Holly Power Plant. With the decommissioning and dismantling of Holly, AE no longer had a business need to operate the Longhorn Dam. An internal team composed of representatives from various City departments determined that AW was the agency best positioned to assume long term operational control of the facility. AE and AW worked collaboratively over the last year to transition the operations.



Recommendation for Action

File #: 18-2272, Agenda Item #: 35.

5/24/2018

Agenda Item

Agenda Item #35: Approve a resolution directing the Manager to construct, build, or establish interim fire stations; to include funds to staff the interim fire stations in the recommended 2018-2019 budget; and, to develop a plan to fund, construct, and staff permanent fire stations.

QUESTION:

With the proposed language instructing the City Manager to construct, build or establish interim fire stations in at least the top two area of greatest need, within those identified areas, what actual sites are being considered for the interim structures? Please describe an interim structure? What will be required to be identified as an interim structure? What is the projected cost to provide the interim structures?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

See attachment.

QUESTION:

Would there be an impact on the priority ranking of the five fire stations if the City installed emergency vehicle preemption in the areas?

COUNCIL MEMBER ALTER'S OFFICE

ANSWER:

Response times vary from route to route and station to station, as do the benefits realized with emergency vehicle preemption (EVP). We do not have information that demonstrates how individual response times related to the five proposed fire stations may be impacted. The Austin Transportation Department's Arterial Management Division has reviewed national research that suggests a moderate decrease in response times of about 15% may occur with the installation of emergency vehicle preemption devices.

ATD currently works with the Fire Department to determine where they would like to see emergency vehicle preemption installed and has installed at least one detector at 140 signals citywide (of more than 1,000). The City applied for and received funding from CAMPO to install EVP system-wide at all traffic signals, moving away from the piecemeal approach previously used. There may be a reduction in response times of about 15% for first responders when this technology is deployed, but the response times and EVP effectiveness varies based on a variety of factors. To support installation of next generation emergency vehicle preemption, ATD has also requested funding in the proposed 2018 Bond. If approved, this funding would be used for upgrading existing traffic signal controllers and firmware, enabling the City to improve the signal timing program with next generation emergency vehicle preemption, expanded transit signal priority features, and signal timing optimization.

While the roll out of system wide EVP occurs, ATD will continue to work with AFD to identify immediate needs, including those associated with new temporary or permanent stations.



Council Question and Answer

Related To	Item #35	Meeting Date	May 24, 2018
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Additional Answer Information

QUESTION:

With the proposed language instructing the City Manager to construct, build or establish interim fire stations in at least the top two area of greatest need, within those identified areas, what actual sites are being considered for the interim structures? Please describe an interim structure? What will be required to be identified as an interim structure? What is the projected cost to provide the interim structures?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

What actual sites are being considered for the interim structures?

Del Valle/Moore's Crossing Interim Options:

1. Moore's Crossing Municipal Utility District (MUD) dedicated a piece of property to the City of Austin (COA) at 7019 Elroy Rd to be used for a fire station.
 - Property is 6 acres
 - Property has a few structural issues which might limit our ability to place a temporary station there *(no current waste water connection, large power lines across property, water quality pond might be needed based on impervious cover)*
 - Even though the property is owned by COA, it is located across from an elementary school which could create access issues during high volume times
2. Toll Road Booth and Adjacent Building at 5901 S SH 130 NB
 - Vacant structure adjacent to the toll booth is 1,500 square feet
 - Utility connections (water, electricity, sewer) are already in place
 - The State owns the property and we would have to negotiate renting/leasing it, but recent discussions have been favorable
 - Separate cover for the fire truck and related equipment will have to be constructed since the building lacks a garage
3. Existing Parking lot (location east/southeast of the airport has not been identified)
 - We could park a trailer-type structure on asphalt or concrete
 - Utilities would have to be connected
 - Separate cover for the fire truck and related equipment will have to be constructed since the trailer lacks a garage
4. Other potential City properties (not vetted)
 - Undeveloped Elroy Neighborhood Park, 7527 Elroy Rd.
 - Any Aviation land along Towery Lane
 - Unused Austin Water land at 7649 KELLAM RD
 - Undeveloped Dry Creek Greenbelt, 6224 Constellation Cir.

Travis Country Interim Options:

1. City of Austin Park property
 - Parks are large and may be able to house a temporary and/or permanent station
 - Will have to explore Chapter 26 requirements
 - Oakhill Neighborhood Park at 5408 Southwest Parkway or Gaines Creek Neighborhood Park at 4801 Republic of Texas Blvd.
2. Storefront (vacant commercial property near the intersection of MoPac and Hwy 290 west)
 - Have a few options identified, but will need to work with Real Estate to negotiate terms.
 - Utility connects currently exist (water, electricity, sewer)
 - Separate fire truck storage will have to be addressed since building lacks a garage
3. Existing Parking lot (location near intersection of MoPac and Hwy 290 west has not been identified)
 - We could park a trailer-type structure on asphalt or concrete
 - Utilities would have to be connected
 - Separate cover for the fire truck and related equipment will have to be constructed since the trailer lacks a garage
4. Other potential City properties (not vetted)
 - Co-Locate at Austin Energy Substation, 5915 McCarty Lane
 - Gaines Greenbelt, 4800 S MoPac Expressway & 4515 1/2 S MoPac Expressway
 - Williamson Creek West Greenbelt, 6101 1/2 S. MoPac Expressway & 6300 1/2 S. MoPac Expressway

Please describe an interim structure?

- A. Storefront: Utilization of a VACANT existing storefront structure with separate truck area in the Travis Country area.



- B. Fire-Response Container-Type Fire Station: Placement of a fire-response container-type structure on existing impervious cover (ex: Home Depot or Burger Stadium parking lot)



- C. Mobile Home: Placement of a double-wide mobile home or portable building with separate truck



area.

- D. Toll Road Building: Utilization of existing SH130 Toll Booth building with separate truck area the Del Valle area



What will be required to be identified as an interim structure?

An interim structure should only be in place 18 to 24 months and it will only have the essential requirements for a fire crew: kitchen, living room, bathrooms, and bedrooms. The interim structure will not have the space and full functionality of a permanent station. For example, it probably will not have a full-sized kitchen with food pantries for each shift, or a workout room, or a washer/dryer, or separate men's and women's locker/shower facilities.

What is the projected cost to provide the interim structures?

Here are the options for one location:

A.&D. \$500K: Estimated cost to purchase a cover/fence for the engine and renovate an existing storefront property or the toll road building

ASSUMING utility connections exist and no site preparation is needed

AND estimated \$10K per month to lease - \$120K annually

AND up to \$1 million for a new fire engine and equipment

B. \$500K: Estimated cost to purchase a cover/fence for the engine and a container-type portable station and

AND up to \$500K for site preparation and connections to utilities

AND up to \$1 million for a new fire engine and equipment

- C. \$500K: Estimated cost to purchase a cover/fence for the engine and a double-wide trailer

AND up to \$500K for site preparation and connections to utilities

AND up to \$1 million for a new fire engine and equipment.



Recommendation for Action

File #: 18-2208, **Agenda Item #:** 38.

5/24/2018

Agenda Item

Agenda Item #38: Approve a resolution supporting the City's efforts related to opioid abuse and directing the City Manager to identify resources necessary to bolster the City's ongoing efforts and provide related recommendations.

QUESTION: Do City of Austin librarians keep naloxone on-site in case an overdose occurs on library property?
MAYOR PRO TEM TOVO'S OFFICE

ANSWER:

No, not at this time. We have gotten a suggestion to perhaps do this, and have had some initial discussions with Risk Management. They suggested speaking to Austin Public Health and also noted that the Law Department should be consulted.



Recommendation for Action

File #: 18-2275, **Agenda Item #:** 45.

5/24/2018

Agenda Item

Agenda Item #45: Set a public hearing to receive citizen comments on the City's draft Fiscal Year 2018-2019 Action Plan as required by the U.S. Department of Housing and Urban Development and required by Texas Local Government Code Chapter 373.

QUESTION:

How do the City of Austin programs funded through U.S. Department of Housing and Urban Development grants align with our Strategic Housing Blueprint?

COUNCIL MEMBER ALTER'S OFFICE

ANSWER:

NHCD will prepare a response to this question for the May 31, 2018, City Council Housing and Planning Committee meeting, and provide a memo to City Council with responsive information prior to the public hearing on the Action Plan scheduled for June 14, 2018.



Recommendation for Action

File #: 18-2247, Agenda Item #: 68.

5/24/2018

Agenda Item

Agenda Item #68: Conduct a public hearing and consider an ordinance amending the Imagine Austin Comprehensive Plan by adopting the Austin Area Master Community Workforce Plan as an attachment.

QUESTION: What efforts would be undertaken to engage with employers in the Austin area in order to ensure that newly trained workers will be paid a living wage?

COUNCIL MEMBER POOL'S OFFICE

ANSWER:

The following response has been provided by Workforce Solutions, Capital Area. The Master Community Workforce Plan identifies three industry sectors which, according to Workforce Solutions' analysis of current local labor market information, offer significant opportunities for skilled workers to make a living wage. The Master Plan prioritizes strategies that connect people to these training opportunities, through training completion, and onto career pathways that ultimately lead to middle-class wages.

The Master Community Workforce Plan notes the following actions and efforts to ensure that trained workers will be paid a living wage:

- The Plan identified over 100 occupations that align with the targeted industry sectors of Information Technology, Healthcare, and Skilled Trades/Advanced Manufacturing. A subset of these occupations are on Workforce Solutions' Target Occupation List, which means these qualify for public tuition support, and by definition directly align with occupations that pay living wages at entry or mid-level points in the jobs.
- The Plan engaged Business Industry Hubs whereby business leaders from each sector come together to discuss their workforce "pain points" and shared opportunities. Often, the first concern relates to recruitment, and the Master Plan offers an opportunity to present prevailing wage information to employers in order to ensure that they have data to understand the link between wages and recruitment/retention.
- Strategy Four of the Master Plan targets upskilling entry-level, low-wage workers with job training opportunities that benefit both workers and employers. These upskilling opportunities will prioritize employers who have committed to providing prevailing wages to workers upon skills attainment.
- Under a data aggregation and evaluation contract with the University of Texas at Austin Ray Marshall Center, Workforce Solutions will be able to evaluate specific training programs and outcomes in order to determine whether trainees are earning wages consistent with prevailing wages for those occupations, including which individuals may not yet be making a living wage. This data platform will allow the community of workforce service providers and Workforce Solutions to enter into discussions with both trainers and employers to understand where and why any wage disconnects exist, taking appropriate action needed to recalibrate within the Master Plan.
- The Master Plan envisions a communications platform that will allow the community to recognize and "hold up" examples of exemplary employers who are modeling intended "hire local" philosophy, including paying living wages to their new or promoted hires.



Recommendation for Action

File #: 18-2279, Agenda Item #: 71.

5/24/2018

Agenda Item

Agenda Item #71: Authorize negotiation and execution of multi-term cooperative contracts with Haworth Inc., Herman Miller Inc., Knoll Inc., The Hon Company, Southern Aluminum Manufacturing Corp. D/B/A Southern Aluminum, Steelcase Inc. and Trendway Corp. and their manufacturer approved distributors, to provide furniture including installation and other related services, for up to five years for total contract amounts not to exceed \$16,446,000 divided among the contractors.

QUESTION:

Since no matrix & score came in the back up, could you expand on why these particular firms were chosen? They were all 'good' companies, & in looking at 'universal' CoA needs each suited our quality & cost needs? What were our reasons for choosing these firms/products - aside from the environmental/emissions factor (& could you elaborate a little on that as well? Is that part of what drives the cost, & other firms' products would/could bring an unhealthy interior environment?)

(In coming to a defined standard, are these the firms & products we have been using & noted as superior? Is changing to the multi-firm as they now provide to our defined standard, the main reason for changing from our previous purchasing method & format for furniture?)

What do we anticipate the new furniture functions over the next five years, per year? :

Were the firms chosen for the individual & varying needs of the departments that will need furnishing or refurnishing?

Are 'insurance' &/or 'third person' services part of the contract costs? (before furniture is moved in an office or facility, contact made with the supplier, & their service personnel is sent to actually facilitate/implement any furniture 'relocating')

Would it be possible just to break down this contract's costs a little more specifically?

COUNCIL MEMBER GARZA'S OFFICE

ANSWER:

Cooperative contracts are often used as they provide the best value for items with high volume discounts such as furniture. The previous contracts for furniture were also procured through Cooperative contracts; however, they allowed for the use of a large amount of manufacturers, reducing the benefits gained through volume purchasing. When planning for the new contracts, it was determined that narrowing the options to fewer manufacturers would be of greater value to the City.

Standardizing to fewer lines allows the City to aggregate spending with these manufacturers, leading to reduced cost as well as resulting in more compatibility between City departments allowing for increased re-use and reconfiguration options. The recommendations for these manufactures are based on the spend per manufacturer on the previous contracts and the current furniture installations in city departments with the largest spend. The selected manufacturers represent almost 95% of the spend on the previous contracts and also represent the needs of the departments with the

highest furniture expenditures over the previous contracts which include Building Services, Aviation, Austin Energy, Austin Convention Center, Austin Public Library and the Austin Police Department. Sustainability attributes of each of these manufacturers were also taken into consideration:

- 1) Haworth
 - i. Level 3 Certification
 - ii. GREENGUARD
 - iii. Forest Stewardship Council Certified Wood

- 2) Herman Miller
 - i. Level Certificate
 - ii. Forest Stewardship Council Chain of Custody Certification
 - iii. GREENGUARD Certification

- 3) HON
 - i. Level 2 Certificate
 - ii. Indoor Advantage Gold
 - iii. Healthier Hospitals Healthy Interiors Goal v2.0 Chemicals Challenge

- 4) Knoll
 - i. Rated SMaRT Sustainable Platinum
 - ii. BIFMA Level 3 Certified
 - iii. GREENGUARD and GREENGUARD Gold Certified
 - iv. Can contribute to achieving 4 LEED Credits

- 5) Southern Aluminum
 - i. 100% Recyclable
 - ii. 70% Recycled Content

- 6) Steelcase
 - i. Cradle to Cradle Silver
 - ii. Cradle to Cradle Bronze
 - iii. Level 1 Certificate
 - iv. Level 2 Certificate
 - v. Scientific Certification System Indoor Air Quality Gold and Indoor Air Advantage Certified

- 7) Trendway
 - i. Level 1 Certificate
 - ii. Scientific Certification System Indoor Air Quality Indoor Air Advantage Certified

A copy of the City's furniture sustainability requirements is included as an attachment.

The authorization amount is an estimated amount, not based on specific projects at this time, and is contingent on the funding approved in each year's budget. It is also based on past historical spend by departments as well as some

planned large projects in departments including the Austin Public Library, Austin Energy and Aviation. The contracts include the purchase of furniture as well as installation and other related services. In order to maintain the warranty on the products purchased, some of the manufacturers require or strongly recommend that one of their authorized resellers perform any relocations or reconfigurations of the furniture, so this service is also included in the contracts.

Sustainability Specifications and Guidelines - Furniture

Commodity or Services	Goals and/or Benefits	Description of Item	Definitions	Environmental Standard Requirement	Certifications with BIFMA Level 7.6.1 Credit	Solicitation Language - ENVIRONMENTAL	Solicitation Language – Third-Party Indoor-Air Quality Certification Documentation	Supplemental Requirements	Deliverables
Furniture and Installation Services	Many furniture products off-gas chemicals linked to allergies, asthma, reproductive disorders, and cancer. Sustainable furniture can protect the health of building occupants by limiting emissions of these harmful chemicals. The City of Austin also desires to limit the negative impacts of natural resource consumption, energy needed to produce and transport materials and products, and the potential threats to community health and safety through our sustainable purchasing program.	This specification addresses furniture used in schools and offices, including: 1. Chairs 2. Cubicles 3. Desks 4. Modules 5. Shelves 6. Sofas 7. Storage cabinets 8. Tables 9. Workstations	“Institutional Furniture” includes: individual and group seating; open-plan and private-office workstations; desks of all types, tables of all types; storage units, credenzas, bookshelves, filing cabinets and other case goods; integrated visual display products (e.g. marker boards and tack boards, excluding electronic display products); hospitality furniture; and miscellaneous items such as mobile carts, freestanding screens, and movable partitions. Movable partitions include office furniture system cubicle panels that are typically integrated with work surfaces, desks, and storage furniture. “Institutional Furniture” does not include office accessories, such as desk top blotters, trays, tape dispensers, waste baskets, all electrical items such as lighting and small appliances, and accessories such as aftermarket keyboard trays, monitor stands and monitor arms. For the purposes of defining products subject to indoor air quality requirements, “Institutional Furniture” does not include products that are inherently non-emitting sources of VOCs, specifically powder-coated, plated or anodized metals, and glass without integral organic based surface coatings, binders, or sealants.	New Furniture offered under the cooperative contract shall be certified to meet the following standards: Compliant with the ANSI/BIFMA Furniture Emissions Standard X7.1-2011 and/or ANSI/BIFMA e3-2012 Standard with credit 7.6.1. It is preferred that any furniture for existing installation (expansion, modification, etc.) also be certified to the above standard.	<u>Compliant Certifications:</u> BIFMA Level Certification with 7.6.1 Credit, Cradle to Cradle (C2C) Gold, Greenguard, Greenguard Gold, SCS Indoor Air Advantage, SCS Indoor Air Advantage Gold	All new Institutional Furniture (see “Definitions” section) provided to the City shall be third-party certified to meet indoor air quality requirements. The Proposer shall complete and submit Attachment A for all Institutional Furniture items proposed under the cooperative contract. a. Institutional Furniture shall be tested following ANSI/BIFMA Standard Method M7.1-2011. b. Institutional Furniture shall comply with ANSI/BIFMA Furniture Emissions Standard X7.1-2011. Test results shall be modeled using the open plan, private office, or seating scenario in ANSI/BIFMA M7.1 as appropriate. Third-party certification must be performed by a certification organization that is ISO Guide 65 accredited and the laboratory’s Quality Management System (QMS) and applicable test procedures are conducted in accordance with ISO/IEC 17025:2005	Third-Party Indoor-Air Quality Certification Documentation: third-party certification documentation shall be provided to the City for all Institutional Furniture. The third-party certification product documentation must specifically state: a. Product manufacturer name and address b. Brand name of certified product(s) c. Any exclusions to the certifications (e.g. specific product configurations/options that are not certified) d. Certification conforms to the ANSI/BIFMA Standard Method M7.1-2011 and ANSI/BIFMA Furniture Emissions Standard X7.1-2011 or the ANSI/BIFMA e3-2012 Standard with credit 7.6. e. The exposure scenario used to determine compliance. f. Certification start date and expiration date g. Name and address of the certification organization. Documentation must also include verification of the certifying organization’s ISO Guide 65 accreditation and compliance with ISO/IEC 17025:2005.	Vendors are encouraged to use packaging that does not contain packaging inks, dyes, pigments, adhesives, stabilizers, and additives with levels of lead, cadmium, mercury or hexavalent chromium in packaging inks, dyes, pigments, adhesives, stabilizers, and additives equal to or greater than 100 parts per million, which is consistent with packaging statutes adopted by 19 U.S. states. The following exceptions apply to this heavy metal threshold recommendation for packaging: (a) Packaging made from recycled materials. (b) Packaging that is essential to the protection, safe handling, or function of the package’s contents (e.g., medical product and devices). (c) Packages and packaging components for which there is no feasible alternative. (d) Reusable packaging for products that are subject to other federal or state health, safety, transportation, or disposal requirements (i.e., hazardous waste). (e) Packaging having a controlled distribution and reuse (i.e., beverage containers subject to mandatory deposit requirements). (f) Packaging or packaging component that is glass or ceramic where the decoration has been vitrified and when tested, and meets specific requirements.	1. Vendor shall provide a third-party certification with each order and invoice 2. Vendor will submit (by email) an EPPS Report of all furniture orders – Quarterly and Annually