



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 Garza, 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, August 9, 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

5. **Agenda Item #5:** Authorize negotiation and execution of a financing agreement with the Texas Water Development Board for a 20-year low interest loan in the amount of \$3,000,000 from the State Water Implementation Fund for Texas loan program for costs to implement Austin Water's Advanced Metering Infrastructure project.

QUESTION:

What is the type of AMI system Austin Water is looking into implementing? Is it a cloud-based system? I understand the point of AMI systems is to focus on infrastructure improvements throughout time - Is Austin Water budgeting to include anticipated infrastructure improvements in future budgets?

COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER:

We are currently in the midst of designing the requirements of the system and do not have answers to these questions at this time. The request going before council is the first allocation of our SWIFT funding. This allocation is to support our design effort. Anticipated infrastructure improvements are in AW's CIP Plan.

6. **Agenda Item #6:** Approve an ordinance amending City Code Chapter 15-5 related to on-site sewage facilities.

QUESTION: How would “Low Pressure Dosage Onsite Wastewater Treatment” and/or a “Wastewater Wetland” fit into this new framework, and are those methods of wastewater treatment currently allowed by the City of Austin?

COUNCIL MEMBER HOUSTON’S OFFICE

ANSWER:

Low-pressure dosed (LPD) drainfields are allowed in the City’s jurisdiction for on-site sewage facilities. This type of disposal system can be preceded by primary or advanced treatment units. The maintenance requirements addressed by the proposed code change would only apply to an LPD system if the system was preceded by a secondary or higher treatment unit. On-site private “wastewater wetlands” are not a typical type of treatment or disposal method for residential use and would require special evaluation as an “alternative treatment technology” for permitting.

The proposed ordinance does not introduce additional requirements to any treatment or disposal system type. Per state regulations advanced treatment systems (secondary and above) are required to enter into a maintenance agreement with a TCEQ-licensed maintenance provider during the first two years following installation of the system. Per current COA regulations, all advanced treatment systems are required to retain the services of a TCEQ-licensed maintenance provider for the life of the system, homeowners with secondary treatment systems are offered the opportunity to maintain their own system so long as they are trained and meet the City’s registration requirements (these must be owner-occupied residences). The proposed ordinance does not change these requirements.

7. **Agenda Item #7:** Authorize award and execution of a construction contract through Sourcewell with ChargePoint Inc., for construction and equipment installation services for electric vehicle charging infrastructure, in the amount of \$1,500,000 for an initial 2-year term, with two 1-year extension options of \$850,000 each, for a total contract amount not to exceed \$3,200,000.

QUESTION: How does Austin Energy determine the locations for installing Chargepoint stations?

COUNCIL MEMBER FLANNIGAN’S OFFICE

ANSWER:

There are two business uses with different methodologies for site locations for this contract.

1. City Fleet: \$1.7M to install charging infrastructure over the next 3 years at City facilities to support a fleet electric vehicle (EV) rollout by Fleet Services.
2. DCFast Public: \$1.5 million to install public DCFast stations with a goal for a diverse pilot deployment of retail, gas stations, multifamily, workplace, and airport locations to support taxi, transportation network company (TNC), and interstate EV travel that requires access to DCFast stations to operate.

City Fleet performs department vehicle needs assessments, identifies and purchases EVs, and identifies the location of charging infrastructure for city-owned vehicles. The locations are chosen based on where the city-owned EVs are used or housed. City-owned electric charging stations are located on City property. This EV infrastructure project supports the Council goal of “making the entire City fleet of vehicles carbon neutral by 2020” contained in [Resolution No. 20070215-023 <http://www.austintexas.gov/edims/document.cfm?id=100723>](http://www.austintexas.gov/edims/document.cfm?id=100723) as well as the 2016 City Fleet Electrification Feasibility Study and Plan completed in response to [Resolution No. 20160505-025 <http://www.austintexas.gov/edims/document.cfm?id=255026>](http://www.austintexas.gov/edims/document.cfm?id=255026).

The first city-owned DCFast Charge station pilot was installed on Electric Drive in the Seaholm Eco District as a sustainability showcase for Austin. Austin Energy plans to expand to an additional 9-10 DCFast stations at the following host locations:

- 1 - ABIA Cell Phone Lot, 3600 Presidential Blvd.
- 1 - Misuma Holdings, 6406 N. I-35
- 1 - Travis County, 700 Lavaca
- 1 - PSW Eastline, 2008 E. 7th (near multi-family residences and Huston-Tillotson)
- 2 - ExecuTesla, 2705 Highway 71 (near ABIA)
- 2 - Austin Film Society, 1901 E. 51st (Mueller)
- 2 - Southpark Meadows, 9900 S. I-35

DCFast station locations were determined based on best practices and input from the Rocky Mountain Institute and Idaho National Laboratory DCFast siting and design criteria to determine the best locations to install up to 10 DCFast Charge stations in Austin. Optimum locations for these fast charging stations support high Vehicle Miles Traveled (VMT) applications including taxi electrification, Transportation Network Company (RideATX, Maven Fleet) or other gig economy drivers (Favor, InstaCart). Other important criteria include high-voltage electric service access and identifying a host who is willing to provide 1-2 conventional parking spaces per station at no cost to the city for at least 5 years.

QUESTION: Has there been any coordination with Central Texas Regional Mobility Authority or the Texas Department of Transportation to coordinate placement of charging stations near Hwy 183 or Texas Toll Road 130? How many electric vehicles does the City of Austin own, by Department and enterprise entities? What is the usage on Electric Drive in the Seaholm Eco District?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

No, the criteria, best practices and host availability did not support siting the DCFast charging stations in these areas and therefore we did not coordinate with these agencies. However, if future criteria score these locations higher, we fully intend to reach out to TxDOT and CTRMA to discuss charging station placement. DCFast station locations were determined based on best practices and input from the Rocky Mountain Institute and Idaho National Laboratory DCFast siting and design criteria to determine the best locations to install up to 10 DCFast Charge stations in Austin. Optimum locations for these fast charging stations support high Vehicle Miles Traveled (VMT) applications including taxi electrification, Transportation Network Company (RideATX, Maven Fleet) or other gig economy drivers (Favor, InstaCart). Other important criteria include high-voltage electric service access and identifying a host who is willing to provide 1-2 conventional parking spaces per station at no cost to the city for at least 5 years. The optimum locations identified for DCFast stations in Austin are listed below.

- 1 - ABIA Cell Phone Lot, 3600 Presidential Blvd.
- 1 - Misuma Holdings, 6406 N. I-35 (near I-35 & Hwy. 290 East)
- 1 - Travis County, 700 Lavaca
- 1 - PSW Eastline, 2008 E. 7th (near multi-family residences and Huston-Tillotson)
- 2 - ExecuTesla, 2705 Highway 71 (near ABIA)
- 2 - Austin Film Society, 1901 E. 51st (Mueller)
- 2 - Southpark Meadows, 9900 S. I-35

The City has a total of 101 EVs (Electric Vehicles) and PHEVs (Plug-in Hybrid Electric Vehicles) in its fleet. The table below lists the number of these vehicles by department.

Austin Convention Center - 2
 Austin Energy - 14
 Austin Fire Dept. - 2
 Austin Police Dept. - 10
 Austin Public Health - 5
 Austin Resource Recovery - 5
 Austin Transportation Dept. - 21
 Austin Water - 8
 Aviation Dept. - 1
 Building Services - 1
 Development Services Dept. - 15
 Fleet Services - 7
 Parks and Recreation Dept. - 3
 Planning and Zoning Dept. - 1
 Watershed Protection Dept. - 2
 TOTAL 101

The DCFast station on Electric Drive over the last 12 months has delivered 54 megawatt hours (MWh) of electricity, from 4,103 charging sessions, fueling approximately 189,000 electric miles.

- 9. Agenda Item #9:** Authorize award and execution of a construction contract with Control Panels USA, Inc., for the River Place MUD and Lost Creek MUD Volume I: Reservoir and Package project in the amount of \$2,238,900 plus a \$111,945 contingency, for a total contract amount not to exceed \$2,350,845.

QUESTION: Are there any anticipated impacts to the surrounding communities, like construction on streets or other public right-of-ways to install infrastructure related to these projects?
COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:
As stated in the RCA, all work will occur entirely within non-public areas of the neighborhood; therefore, construction activities will not affect the public.

- 13-15. Agenda Items #13-15:** Economic Incentive Policy items (Chapter 380)

QUESTION:
Please explain exactly what is being repealed with the repeal of resolution of 20180809-013. Specifically, what parts of resolution 20180809-013 establish or otherwise impact economic development policies, procedures, or programs and therefore stand to be repealed?
I am interested in funding high scoring projects. Beyond the first year, how will the grant category framework move on from funding just those that meet the minimum threshold on a first come first serve basis?
Please explain when a per job and/or a property tax reimbursement would be employed. Would these be used in combination or singularly and when would each be used?
Can qualifying companies be both for profit and nonprofit? Can a third party hiring organization be eligible for incentives and what incentives are they eligible for?
Regarding the repeal of resolution 20130822-016 which affects music venues, please explain what will be developed in place of what is being repealed and provide the anticipated timeline.
COUNCIL MEMBER ALTER'S OFFICE

ANSWER:

1) Please explain exactly what is being repealed with the repeal of resolution of 20180809-013. Specifically, what parts of resolution 20180809-013 establish or otherwise impact economic development policies, procedures, or programs and therefore stand to be repealed?

The attached chart outlines the Resolutions and Ordinance proposed for repeal.

2) I am interested in funding high scoring projects. Beyond the first year, how will the grant category framework move on from funding just those that meet the minimum threshold on a first come first serve basis?

All projects awarded financial assistance will meet threshold, which will be designed to identify and fund high quality projects. To ensure capital is made available as opportunities are identified, it is staff's recommendation to allow evaluation of applications as applications are submitted to the City for review. A scoring criteria at the onset of program creation will ensure high quality projects are those funded. In addition, upon evaluating projects from the first year of programming, staff will have the opportunity to make necessary adjustments to connect resources with a variety of business types to achieve outcomes related to the portfolio.

3) Please explain when a per job and/or a property tax reimbursement would be employed. Would these be used in combination or singularly and when would each be used?

There are two single and exclusive options for financially incentivizing projects in the proposed Business Expansion Program Guidelines - (1) developing an incentive that refunds property taxes paid by the company on a significant capital investment, or (2) developing a wage based incentive for projects that are not capital intensive.

4) Can qualifying companies be both for profit and nonprofit? Can a third party hiring organization be eligible for incentives and what incentives are they eligible for?

Nonprofits could qualify to the extent that they were meeting the requirements of a jobs-based program under the Business Expansion Program. A higher incentive for hiring through a city approved third party is incorporated under Category 2: Opportunities for Employment. Staff will be working with stakeholders through the administrative development of the program to identify processes and methods for best accomplishing the goals articulated in program- creating a job for and individual facing hardships with employment, and retaining that individual and increasing wages over a five year term.

5) Regarding the repeal of resolution 20130822-016 which affects music venues, please explain what will be developed in place of what is being repealed and provide the anticipated timeline.

The Music and Entertainment Division is currently updating the Music Venue Loan Program in partnership with the Music Commission and aligned with Music Census and Omnibus findings. Once Council direction is provided for the 380 Policy, staff will reconvene a number of stakeholders to review information and will see to provide an update to Council in the first quarter of FY18-19.

QUESTION:

For the "Loan Program Types"; will the city council be the authority to approve/deny the funding for loans under the new 380 policy?

Please provide detailed information about the criteria for a company to receive a "Forgivable

Loans.”

Why is the city providing forgivable loans?

Please explain the program criteria that must be met in order for loans to be forgiven.

COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER:

1) *For the “Loan Program Types”; will the city council be the authority to approve/deny the funding for loans under the new 380 policy?*

Yes. The City Council will be the authority to approve. The creation of any future loan programs through Chapter 380 must be detailed and presented to Council for approval of staff administration. As described in the Chapter 380 Policy, Council will approve loans that exceed City Manager Spending Authority.

2) *Please provide detailed information about the criteria for a company to receive a “Forgivable Loans.”*

The City of Austin is not creating a loan program at this time. Although the proposed Chapter 380 Policy framework allows for future loan programs to be created (Page 15 of the Policy document) and approved by Council, staff has not presented a program for adoption by Council. The creation of any future loan programs through Chapter 380 will be detailed and presented to Council for approval prior to administration of any future loan program.

3) *Why is the city providing forgivable loans?*

See above.

4) *Please explain the program criteria that must be met in order for loans to be forgiven.*

See above.

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Agenda Item #14: Approve an ordinance establishing a Business Expansion Program pursuant to Texas Local Government Code Chapter 380

QUESTION:

1. Please explain staff's interpretation of the wage portion within “Minimum Requirements for Business Expansion Program Portfolio Expansion” on Page 6 of the Business Expansion Program Guidelines document:

“The project will ensure all employees are paid no less than the City's living wage and as it may be adjusted annually, including full-time employees and contract employees, and if applicable to a project with capital expenditures in the form of construction, construction workers hired for construction work will be paid at least the City's living wage.”

Does staff consider “all employees” to include part-time employees? If not, is there a reason why contract employees are included and not part-time employees?

2. Is there a distinction between the median occupational hourly wage for the Austin MSA referenced on Page 7 under general eligibility requirements and the prevailing wage as referenced within the minimum eligibility requirements on Page 6 of the Business Expansion Program Guidelines document?

3. Council recently passed Resolution No. 20180628-061, which directed the City Manager to consider and develop a proposal that would require construction contractors to ensure that a minimum percentage of construction workers on City projects with significant budgets are graduates or current students of the Department of Labor's registered apprenticeship

programs or the Department of Labor's certified bilingual training programs.

Under Category 2 of the Business Expansion Program Guidelines, (Page 13) "Positions must be either "full-time" (defined as at least 1,500 hours per year), "apprenticeships" (position that is a combination of on-the-job training and related instruction from a supervisor in anticipation and preparation for a permanent job in the applicable company), or "internships" (positions of no more than two years that typically are made available to students)."

Did staff consider requiring that the apprenticeships be registered with the Department of Labor?

4. Under the five-year program reassessment (Page 23-24 Business Expansion Program Guidelines document), is it staff's intention to bring forth any changes to the program for Council approval?
5. Resolution 20050113-52 added an amendment to Resolution No. 030612-15 to read:
 1. Subparagraph 2.i "Applicants will be ineligible for incentives if they are not complying with City of Austin current water quality regulations on all current projects, unless the applicant has negotiated or negotiates an agreement with the City in which it complies with current impervious cover limits overall and agrees to build with current water quality controls and waive any claim to grandfathering to prior water quality regulations."

On Page 5 of the Business Expansion Program Guidelines under the "Minimum Requirements for Business Expansion Program Portfolio Expansion" section, the general eligibility criteria as it relates to current water quality regulations doesn't contain information about waiving any claim to grandfathering prior to water quality regulations. Is it staff's intention to exclude this provision from the proposed policies?

MAYOR PRO TEM KATHIE TOVO'S OFFICE

ANSWER:

1) Please explain staff's interpretation of the wage portion within "Minimum Requirements for Business Expansion Program Portfolio Expansion" on Page 6 of the Business Expansion Program Guidelines document:

"The project will ensure all employees are paid no less than the City's living wage and as it may be adjusted annually, including full-time employees and contract employees, and if applicable to a project with capital expenditures in the form of construction, construction workers hired for construction work will be paid at least the City's living wage."

Does staff consider "all employees" to include part-time employees? If not, is there a reason why contract employees are included and not part-time employees?

The interpretation of "all employees" is assumed to include part-time employees.

2) Is there a distinction between the median occupational hourly wage for the Austin MSA referenced on Page 7 under general eligibility requirements and the prevailing wage as referenced within the minimum eligibility requirements on Page 6 of the Business Expansion Program Guidelines document?

Yes, the distinction is that Page 6 refers only to construction jobs related to the project and Page 7 refers to full-time employees of the company.

The language on Page 6 refers projects with capital expenditures in the form of construction, then all construction work on the project must comply with the City's established prevailing wage program that is used on City of Austin public works projects.

The language on Page 7 refers to hiring full-time positions (defined as working at least 1,500 hours annually) will be paid at a rate above the median hourly wage for the relevant occupation(s) as identified by the most recent Occupational Employment Statistics survey from the Bureau of Labor Statistics for the Austin-Round Rock MSA.

3) Council recently passed Resolution No. 20180628-061, which directed the City Manager to consider and develop a proposal that would require construction contractors to ensure that a minimum percentage of construction workers on City projects with significant budgets are graduates or current students of the Department of Labor's registered apprenticeship programs or the Department of Labor's certified bilingual training programs.

Under Category 2 of the Business Expansion Program Guidelines, (Page 13) "Positions must be either "full-time" (defined as at least 1,500 hours per year), "apprenticeships" (position that is a combination of on-the-job training and related instruction from a supervisor in anticipation and preparation for a permanent job in the applicable company), or "internships" (positions of no more than two years that typically are made available to students)."

Did staff consider requiring that the apprenticeships be registered with the Department of Labor?

No, the recent resolution seeking to ensure a minimum percentage of construction workers be registered with the Department of Labor's apprenticeship programs or bilingual training programs was not contemplated as a part of the Category 2 Opportunity for Employment requirements. If legislation related to that resolution were adopted, projects with "significant budget" thresholds were clearly defined and 380 agreements incentivized those types of projects, then it could be potentially included. It is important to note, that Category 2 was not crafted with the intention to capture capital intensive projects, or projects that include the construction of space to accommodate the expansion and/or hiring of new employees. The purpose of the proposed program is to incentivize employers to hire those who are economically disadvantaged to work at their companies, not generate new opportunities for construction jobs for building their expansions. The only available incentive allocation reimbursement is "per-job" based, not "property tax reimbursement-based.

4) Under the five-year program reassessment (Page 23-24 Business Expansion Program Guidelines document), is it staff's intention to bring forth any changes to the program for Council approval?

Each of the new programs enabled by the proposed Economic Development Policy will be considered, vetted and created with Council approval by way of adopting an Ordinance. It will be at Council's discretion to adopt changes to the program resulting from staff's annual and five-year review.

5) Resolution 20050113-52 added an amendment to Resolution No. 030612-15 to read:

Subparagraph 2.i "Applicants will be ineligible for incentives if they are not complying with City of Austin current water quality regulations on all current projects, unless the applicant has negotiated or negotiates an agreement with the City in which it complies with current impervious cover limits overall and agrees to build with current water quality controls and waive any claim to grandfathering to prior water quality regulations."

On Page 5 of the Business Expansion Program Guidelines under the "Minimum Requirements for Business Expansion Program Portfolio Expansion" section, the general eligibility criteria as it relates to current water quality regulations doesn't contain information about waiving any claim to grandfathering prior to water quality regulations. Is it staff's intention to exclude this provision

from the proposed policies?

No, it is not staff's intention to exclude this provision from the proposed policies. The current language that addresses this issue is included below:

Agreement Language:

For the construction of leasehold improvements to the Company's IT Hub, or the construction or remodeling of any future facilities in the City's planning jurisdiction during the term of this Agreement, the Company will comply with all City Code regulations, including water quality regulations in effect at the time any site plan application is filed, unless the Company has negotiated an agreement with the City to comply with overall impervious cover limits and provide the currently required water quality controls. This means the Company will not assert possible vested rights defined in Chapter 245 of the Texas Local Government Code to avoid compliance with water quality regulations during the term of this Agreement. If, during the term of this Agreement, a development does not comply with water quality regulations in effect at the time any site plan application is filed for such development, the City may terminate this Agreement by giving the Company written notice of its election to terminate.

- 19. Agenda Item #19:** Authorize negotiation and execution of agreements with Precourt Sports Ventures, LLC, or its affiliates, related to the construction, lease, and occupancy of a sports stadium and associated infrastructure and development on a city-owned site located at 10414 McKalla Place, under terms outlined in a term sheet.

COUNCIL MEMBER ALTER'S OFFICE

QUESTION/RESPONSES:

City Council Questions and Answers received by the Economic Development Department and through the Council Agenda Office will also be updated and published to the McKalla Place website www.austintexas.gov/mckalla <<http://www.austintexas.gov/mckalla>>

1. What are the projected direct costs for the city over the first 25 years? At a minimum this calculation should include estimated costs for clean-up, off-site infrastructure, off-site service provision during matches, capital reserve fund contributions, insurance costs, the potential movement of the CapMetro station, and legal representation (in the lead up to the deal and then estimated for advocating for Precourt Sports Ventures (PSV's) tax abatements).

The City has no anticipated direct out-of-pocket expense for the project. The negotiated rent payment takes into account any City responsibilities and risks associated with development and operation of the stadium, as outlined in the term sheet.

-Environmental Remediation: Anticipated: \$0. In 2006, extensive remediation to the site occurred, resulting in environmental clearance to an industrial/commercial land use standard. In June 2017, the Texas Commission on Environmental Quality (TCEQ) issued a final closure letter for unrestricted/residential land use.

-StadiumCo is responsible for any necessary infrastructure (i.e. utility connections, upgrades) required to build the stadium.

- PSV is responsible for on-site (on the 24 acres) costs related to stadium events associated with typical municipal services; they are also responsible for these costs off site for non MLS/professional soccer games. Per the negotiated term sheet, the City shall be responsible for any offsite (off the 24 acres) Municipal Services. Staff anticipates these costs to be associated mostly with pedestrian and traffic control, and will be

determined in more detail during the Traffic Impact Analysis and through the development of the Transportation and Parking Plan.

-Capital Reserve Fund. Per the term sheet, StadiumCo will be responsible for all costs associated with the Stadium Project, including maintenance. Of the \$8.25 million in rent received from the team, the City will contribute \$2.375 million from rent payments to the Capital Reserve Fund over the first 20 year term of the lease. The team will contribute \$1.875 million.

-The stadium will be a City of Austin asset. Insurance is estimated to be \$3M over the 20 year term. The City would follow standard procedure which is to purchase property insurance for all owned and leased facilities. The tenant will cover all operating related insurance.

-Council authorized negotiation and execution of a contract with Greenberg Traurig, LLP for legal services related to the development of a soccer stadium on City-owned land located at 10414 McKalla Place in an amount not to exceed \$200,000. 20180628-117.

2. What is the calculated city subsidy which consists of the market lease value (\$1.9 million per year plus an assumption on the annual increase in rents) as well as the tax revenues (city and all other entities) foregone for a \$200 million stadium over a 25 year period?

The Fair Market Value Appraisal lease is based on a dense, mixed-use development, not a publicly owned soccer stadium and park. All publicly-owned major league sports facilities in Texas are exempt from property tax. The site is currently tax exempt, therefore, there is no subsidy.

3. In two recent contracts we recently agreed to lease property for various city departments. One of these was for our Municipal Court and the other collectively for multiple departments (including Code). For each case, please provide details on how much we are paying annually for each lease, how much square footage we are getting, how many parking spaces come with each lease and how much acreage our lease covers.

Rent on a publicly owned soccer stadium and park is not comparable to an office lease.

4. Please explain what mechanisms the city has to hold PSV accountable for providing the community benefits listed in Exhibit 4. In addition, what legal import do the exhibits shown within the term sheet have? What obligations would PSV have to deliver on those benefits in similar or greater magnitude? In addition, what annual reporting requirements are mandated?

The community benefits will become a condition of the lease. Failure to perform on lease terms will be grounds for termination of the lease, subject to notice to cure. It is anticipated the lease will require annual reporting subject to audit.

5. In the highlighted community benefits in Exhibit 4, \$1.5 million annually is accounted for by PSV's farm team training program, focused on Austin area youth. Please clarify how many different youth are expected to participate during the first 25 years. PSV's team is a professional male soccer team - is this training program limited to and/or primarily focused on young men? Will young women be able to participate at equal levels? Does MLS require each team to set up this kind of training academy?

This information has been provided to PSV.

6. Please explain how many stadium centered events are allowed a year. The terms mention 20 matches and 5 city/public events. Are other large scale events allowed? Please provide any other additional information that would help us understand whether the full stadium events are limited to 25 or if PSV (or the city) can rent out the stadium for other events beyond the 25. If additional events are possible, please clarify who bears the costs of such events.

PSV/StadiumCo has the right to produce as many events as they wish. They anticipate a similar number of non-soccer events as soccer events (17).

7. There is some discussion of conference rooms and other facilities within the stadium that may be rented, but no detail on how often they may be rented or the size of these facilities. Please provide details on other types of events and their sizes.

From PSV: The site will be utilized throughout the year for a variety of ticketed and non-ticketed events. Various areas will be utilized more than others. Green space, open space and performance areas will be open to the general public during non-event days throughout the year. The stadium lounges and meeting spaces will be utilized for meetings, banquets, weddings, conferences, etc. The stadium bowl will be utilized for soccer matches, other sporting events (including professional, collegiate, high school, amateur, etc.), concerts, cultural, community oriented events, etc. In order to make the project feasible and to maximize the economic and fiscal impacts of the project, the stadium agreement will provide maximum flexibility to host events on the site, without a cap.

8. Please provide an estimate of the off-site costs to be born by the city for the 20 matches. Please also specify how much we will have to spend for a single match for these off-site costs.

The team is responsible for on-site (on the 24 acres) costs related to stadium events associated with typical municipal services; they are also responsible for these costs off site for non MLS/professional soccer games. Per the negotiated term sheet, the City shall be responsible for any offsite (off the 24 acres) Municipal Services. The City anticipates these costs to be associated mostly with pedestrian and traffic control, and will be determined in more detail during the Traffic Impact Analysis and through the development of the Transportation and Parking Plan.

9. Please explain how the term sheet addresses concerns for parking in the area.

The parties shall work together to develop a Transportation and Parking Plan (including a traffic impact analysis), for which the City agrees to assist in the coordination of all relevant City, Capital Metro, Travis County and State agencies and stakeholder groups. The plan will be based on the transportation plan developed for PSV's proposal dated June 1, 2018. Resulting from discussions with Capital Metro, the term sheet includes a provision that the site will be transit ready. Parties will work together to explore 3rd party and other financial sources for the construction of a new metro rail station adjacent to site.

10. If there are only 1000 parking spots and if parking is spread throughout neighboring areas who is responsible for directing traffic, PSV or the city?

StadiumCo is responsible for all costs related to municipal services in the Stadium and on the Site in all cases. They are also responsible for those costs off-Site in relation to

non-soccer-game events. The City, therefore, is responsible only for off-Site municipal services related to professional soccer games. The estimated cost is \$150,000 annually.

11. What does it mean to say “reasonably approved by the city” when discussing ancillary development on the site?

Standard legal term meaning any ancillary development will need to meet current regulations and be deemed compatible with other development on site. In addition, the City would follow practices established in previous redevelopment of multi-use developments.

12. Please specify what off-site infrastructure the city would be obligated to provide and fund, including estimated costs.

StadiumCo is responsible for any necessary infrastructure (i.e. utility connections, upgrades) required to build the stadium.

13. When could we reasonably expect a ruling by TCAD or another governmental entity on the tax status of the arrangement? If that process takes time and the ultimate ruling is that the stadium is not exempt, according to the terms will the city be reimbursed for any costs incurred in the interim?

All publicly-owned major league sports facilities in Texas are exempt from property tax. If TCAD determines that the structure of this deal is not tax exempt, PSV/StadiumCo is responsible for tax payments.

14. Please explain what it means for StadiumCo to not pay sales and use taxes on construction that falls under the category of tangible personal property. How much revenue are the city and other entities foregoing from that?

Under State Law, construction materials used for Public Works Projects are sales tax exempt. Assuming \$150 million hard costs for the stadium, the sales tax exemption is worth \$12,375,000.

15. Please provide details on what StadiumCo would have to pay in taxes to all relevant local tax levying governmental units on a \$200 million stadium in the absence of a tax exemption.

Under State Law, all publicly owned professional sports facilities are exempt from property tax. If it was determined that the stadium was not tax exempt, Stadium Co would be liable for all tax payments. Assuming a \$200 million assessed value for the stadium, property taxes would be the following at current tax rates:

Estimated Assessed Value		Total Tax Rate (all jurisdictions)		Total Annual Property
Tax	City Tax Rate	City Annual Property Tax		
\$200,000,000	.02213985	\$4,427,970	.00444800	\$889,600

16. What physically falls under the “stadium” in terms of the site? For instance, is the park to be developed by PSV or by the city?

The entire site is to be developed and operated by PSV/StadiumCo at their expense.

17. How much total is the city expected to contribute to the capital reserve fund over 25 years?

How much is PSV/StadiumCo expected to contribute to the capital reserve fund over 25 years?

Per the term sheet, StadiumCo will be responsible for all costs associated with the Stadium Project, including maintenance. Of the \$8.25 million in rent received from the team, the City will contribute \$2.375 m from rent payments to the Capital Reserve Fund over the first 20 year term of the lease. The team will contribute \$1.875 m. The stadium will be a City of Austin asset.

18. Please explain the respective roles of the term sheet and the stadium agreements in this process. In addition, please clarify whether the council will have an opportunity to approve the stadium agreements. The term sheet indicates MLS has the right to review the stadium agreement but appears silent on the council role.

Council Item 20180809-19 is posted for: Authorize negotiation and execution of agreements with Precourt Sports Ventures, LLC, or its affiliates, related to the construction, lease, and occupancy of a sports stadium and associated infrastructure and development on a city-owned site located at 10414 McKalla Place, under terms outlined in a term sheet.

19. The term sheet seems silent on the number, type, and salary levels of jobs to be created. Why is that? All of our other incentive programs seem predicated on jobs delivered. What number, type, and salary level of job do we expect to be created and/or is PSV/StadiumCo obligated to deliver?

The McKalla Place Stadium project (20180809-19) is not an incentive program. Please see PSV's June 1, 2018 proposal for estimated employment impacts.

20. Please explain whether and to what extent PSV is obligated to located its practice fields or its offices in Austin. Also, please explain what commitments the city is being asked to make with respect to the practice fields.

PSV is exploring options for practice facilities and headquarters, but is currently focused on the McKalla Place Stadium agreement. The preference is to have the practice facilities and headquarters co-located within City of Austin limits, but may be located in the Austin Metro area outside of city limits if a suitable location cannot be found in City limits.

MAYOR PRO TEM TOVO'S OFFICE

QUESTIONS/RESPONSES:

1) Please provide an estimated range for remediation costs (were additional remediation measures determined to be necessary and understanding that costs would be determined by the actual situation). [page 2/25]

Environmental Remediation: Anticipated: \$0. In 2006, extensive remediation to the site occurred, resulting in environmental clearance to an industrial/commercial land use standard. In June 2017, the Texas Commission on Environmental Quality (TCEQ) issued a final closure letter for unrestricted/residential land use. Risk Level: Low.

2) Please provide details about the 8 acres of "green space, open space and performance areas" accessible to the public. Will the green space and open space include walking/biking trails? Will it include other amenities, and if so, what? When will the space be available? Are the "performance spaces" described here outdoor spaces? Please confirm no charges would be assessed to the

public for the use of these spaces.

From PSV: The 8 acres of green space, open space and performance areas will include 3/4 of mile of trails and 1 ¼ miles of sidewalks. Other amenities could include food, beverage, and retail opportunities, but none of this is specifically known right now. The site will be accessible to the general public year-round during non-event times when the stadium project is completed, which is now expected to be April 2021. There is one area specifically designed performance space for concerts and other events, which could host events ranging from 30-3,000 attendees. There will also be open parking lots which could host music and cultural festivals. Green space and open space areas will be accessible at no charge during non-event times. Some outdoor shows in the performance area might be free to the public, while others could charge admission.

3) Likewise, another bullet refers to a portion of the site being “accessible by the public for the enjoyment, health, comfort, welfare, and leisure activities, and special events.” [3/25] Is this space in addition to what is described in the bullet on page 2? If so, please characterize this space and describe how and when it will be accessible to the public.

From PSV: This is the same 8 acres. We envision a variety of scheduled events, recreational activities, and spontaneous park usage during daylight hours. Please see the two attached pages for illustration.

4) Does StadiumCo or another entity plan to program or to collaborate with another entity to program any of the open space for free public events?

From PSV: That is quite possible, but those operational decisions are not yet known. PSV would attempt to maximize community enjoyment, economic impact and revenue generation.

5) Please provide a range for estimated monitoring costs for design and construction. [4/25]

This function is anticipated to be performed by existing permanent City of Austin staff as part of regular duties.

6) Do the terms have StadiumCo paying for the costs of monitoring associated with the Better Builder program?

StadiumCo Lease and Development Agreement will have provisions for monthly reporting from StadiumCo regarding its progress with the Better Builder program, MWBE, etc.

7) Provide details about invitations to youth soccer groups to visit the site. [7/25]

From PSV: Although operational specifics are not yet known, possible concepts could range from pre-scheduled stadium tours to free skills clinics hosted on the stadium pitch to complimentary tickets to matches to player visits. The opportunities are almost unlimited.

8) Has StadiumCo approached Pickle Elementary and other nearby schools or the school district(s) to discuss planned or proposed collaborations?

From PSV: PSV has reached out to local schools/districts to discuss potential

collaborations for parking and shuttle service. PSV intends to reach out regarding additional collaborations once they develop their operational plan should the project be approved. Once the team is here it could include school visits by players and coaches, training, etc.

9) The 5th bullet on page 8/25 spells out the disposition of any surpluses. Please explain the line: "... if such cost exceeds \$190 million, then PSV may determine how to otherwise apply such surplus." If the costs were in excess of \$190 million, what would be the circumstances under which there would be a surplus? [8/25]

The stadium budget is \$200 million, including a \$10 million contingency. This provision is intended to not allow PSV to value engineer below \$190 million.

10) Describe scenarios under which the City would become responsible for increased costs. The language suggests that these could be costs associated with safety, zoning, and city approval processes. [8/25]

The only increased costs the City would be liable for would be costs associated with discriminatory regulations targeted specifically at the stadium project or discretionary changes the City requests after the plan has been finalized.

11) Provide information about how insurance is handled in other leases of city sites or facilities. [11/25]

Liability Exposures and Workers Compensation (slips/trips/3rd party bodily injury or property damage): The tenants shall maintain automobile and general liability insurance naming the City as additional insured for the lease of the city-owned facility and all of their events. The City requires tenants to maintain workers' compensation coverage. If the City is using the facility for a civic event and COA employees are working on-site the City will be liable for workers' compensation costs for injury to City employees. The City is self-insured for liability and workers' compensation.

Property Insurance: The City purchases property insurance for all owned and leased facilities. The City would add this location to our existing property insurance policy upon City ownership of the facility. The estimated cost of the property insurance is estimated to be \$3,091,440 over the next 20 years.

12) Do the proposed terms suggest that the city would bear the costs of traffic management, public safety, and other costs associated with the games? [13/25]

The City would only be responsible for game day off-site costs. The estimated cost is \$150,000 annually.

13) Please provide information about other revenue-sharing arrangements on city-owned land. [11/25]

Information is being researched by staff in order to provide City of Austin examples.

14) Which entity will pay for signage? [13/25]

This item in the term sheet references directional signage which is standard road signage to direct patrons to the stadium and parking areas. Many jurisdictions, such as

the City of Austin have in-house capability to produce these signs. It is standard practice to provide such signs for high visit attractions. The directional signage costs and the payment of such costs will be addressed in the directional signage plan. Annual costs for TxDOT signs are low, at less than \$2,000 per sign.

15) Please explain rationale for having the city assume a higher payment to the Capital Repairs Reserve Fund in years 6 and 7.

The rent payment was negotiated specifically to ensure funds would be made available for a Capital Repairs Reserve Fund. The city contribution from rent leverages additional funds from PSV. The city's share of the Capital Repairs Reserve Fund comes from rent payments (no net new cost to city). Since no rent is paid in years 1-5, years 6 & 7 are catch-up payments.

16) Is the expectation that the discussions regarding the training complex would be concluded prior to the Stadium Agreements? [17/25]

The parties intend to enter into discussions on the training complex prior to the execution of the stadium agreements. If the training complex involves additional city land, a separate agreement would be brought forward for Council approval.

17) When would the agreement with regard to the community benefits be drafted? [17/25]

The term sheet has been updated to incorporate the community benefits requirement into the Stadium Lease and Development Agreement.

18) Exhibit 3 is titled "Approved Architects and Contractors." Are these city-approved architects/contractors? [23/25]

Yes. The list of pre-approved architects and contractors was provided by PSV.

19) What will the ticket price range be, and will StadiumCo offer discount tickets to youth soccer players and students from area colleges and universities?

From PSV: Pricing will be determined, but will be comparable to other MLS clubs and will include a broad range of prices to meet the demand of fans. There will be group ticket promotions for many area groups - high school, college, soccer clubs, etc.

20) Please indicate how many accessible parking spaces will be available.

International Building Code requires 20 accessible parking spaces per 1000 parking spaces.

21) Please describe where employees will park.

From PSV: The employee parking plan for temporary staff on match days will be developed and will likely include a combination of on-site and off-site parking and shuttle service.

22) Please identify the expected pedestrian routes to and from the stadium and describe the plan for minimizing potential conflict between vehicular and pedestrian traffic upon entrance/exit from the stadium.

From PSV: PSV will work cooperatively with the City and other agencies to develop a Transportation and Parking Plan that will address vehicular, pedestrian, bicycle, etc. routes and coordination.

23) How many non-soccer events does Stadium Co. intend to hold on an annual basis? Will that expected figure be codified or capped in the stadium agreement?

From PSV: The site will be utilized throughout the year for a variety of ticketed and non-ticketed events. Various areas will be utilized more than others. Green space, open space and performance areas will be open to the general public during non-event days throughout the year. The stadium lounges and meeting spaces will be utilized for meetings, banquets, weddings, conferences, etc. The stadium bowl will be utilized for soccer matches, other sporting events (including professional, collegiate, high school, amateur, etc.), concerts, cultural, community oriented events, etc. In order to make the project feasible and to maximize the economic and fiscal impacts of the project, the stadium agreement will provide maximum flexibility to host events on the site, without a cap.

24) #2 Charitable Contributions: How will the organizations be identified who would benefit from this contribution of \$100,000 and who would identify them?

From PSV: The club and its charitable foundation will set up a mission and guidelines for charitable giving. All decisions will fall within that mission. The foundation and the club's community relations department will establish much of this when MLS comes to Austin. It is believed that soccer-related and health and wellness causes could be supported.

25) #5 Youth Soccer Clinics: How many young people can participate in each soccer clinic? How will participants be selected? Where will the clinics be held? What ages are targeted for these clinics?

From PSV: All of this will be established once the team is operating in Austin. All clinics will be run by soccer experts - trained coaches and players. The club is likely to cooperate with local youth clubs and rec departments to determine many of these factors. These programs will be available for girls and boys and all neighborhoods of Austin.

26) #6 Youth Soccer Camps: How many young people can participate in each soccer camp? How will participants be selected? Where will the camps be held? What ages are targeted for these clinics?

From PSV: All of this will be established once the team is operating in Austin. All camps will be run by soccer experts - trained coaches and players. The club is likely to cooperate with local youth clubs and rec departments to determine many of these factors. These programs will be available for girls and boys and all neighborhoods of Austin.

27) #7 Youth Club Scholarships: What criteria will be used to identify young people for these scholarships?

From PSV: It is believed that interest in soccer and financial need will be two key criteria.

28) #11 Soccer Field and Futsal Court Construction: Who will make decisions about where investments will be made into new or upgraded soccer fields? What criteria will be used to make these decisions?

From PSV: All of this will be established once the team is operating in Austin. The club is likely to cooperate with local youth clubs and rec departments to determine where it would be best to build or refurbish these fields and futsal courts. This infrastructure is intended to make them most widely available for girls and boys and all neighborhoods of Austin.

COUNCIL MEMBER HOUSTON'S OFFICE

QUESTIONS/RESPONSES:

1) Is the Special Events Trust Fund a potential source of funding for the development of a proposed Major League Soccer Stadium on the McKalla Place City-owned land?

The State of Texas Events Trust Fund is not an eligible source of funds for the construction of a Major League Sports stadium or a source of funding for ongoing operations. The requirement that the event cannot be held more than one time per year disqualifies the use of funds for a pro soccer franchise, given that Precourt Sports Ventures has specified that an MLS team will be hosting approximately 17 games at the stadium each year. Major league soccer game regular season games are also not specifically named as events in statute Article 5190.14, Section 5A. Therefore, this activity is not eligible for funding for the Major Events Reimbursement Program. The State of Texas Events Trust Fund may be available on a limited basis for one-time, unique high economic impact events.

For more information, see:

[<https://gov.texas.gov/uploads/files/business/Events_Trust_Fund_Guidelines_3.20.18.pdf>](https://gov.texas.gov/uploads/files/business/Events_Trust_Fund_Guidelines_3.20.18.pdf)

2) If for some reason the City or StadiumCo terminated the lease, what would the City do with a soccer stadium to generate revenue?

In the case of a terminated lease, the City could: seek an alternative tenant (other team / league); lease it to another provider of outdoor entertainment (such as music production company); sell the stadium to another entity (such as a school district or university), or demolish the stadium for redevelopment.

COUNCIL MEMBER POOL'S OFFICE

QUESTIONS/RESPONSES:

1) Please clarify who is responsible for Stadium, site, and off-site municipal service expenses.

StadiumCo is responsible for all costs related to municipal services in the Stadium and on the Site in all cases. They are also responsible for those costs off-Site in relation to non-soccer-game events. The City, therefore, is responsible only for off-Site municipal services related to professional soccer games. The estimated cost is \$150,000 annually.

2) *The City and Council will require extensive financial and other information as part of the decision-making process - would either or both entities be good and faithful partners for the City of Austin and its residents to entrust significant levels of public assets to them for a considerable period of time? What does such a partnership look like and who benefits and who doesn't, and who stands to have to clean things up financially if they go awry?*

As part of the fact-finding that's essential for the public to achieve a level of comfort with this possible relationship, please have PSV and MLS, as appropriate, send us the following lists and information, to start:

1. *A list of key executives and their functions and resumes*
2. *A list of key contacts who will be negotiating with the city, along with their relationship to PSV & with Greenberg-Taurig*
3. *A list of PSV's and MLS's board of directors and/or advisory board - i.e., the people who make the decisions*
4. *three trade references, and*
5. *A copy of 2017 audited financial statements (Income Statement & Balance Sheet)*
 - *A copy of the last 3 years of corporate tax returns*
 - *A 5-year (GAAP format) proforma on Austin MLS Team operations to include details on stadium revenue and costs, with concert and event revenue specifically separated from soccer revenue, and*
 - *A personal financial statement for any owner with 10% interest or greater in the team.*

Please arrange an opportunity for me to review the PSV/MLS proforma financials.

These questions and requests for information have been submitted to Precourt Sports Ventures (PSV). A representative from PSV will be present at the August 9 City Council Meeting.

COUNCIL MEMBER GARZA'S OFFICE

QUESTIONS/RESPONSES:

1) *What is the minimum parking requirement for the stadium?*

A stadium is classified as an outdoor entertainment use in the land development code. The minimum parking requirement for Outdoor Entertainment is Schedule B (Director Determination). [Austin Land Development Code 25-6 Appendix A - Tables of Off-Street Parking and Loading Requirements] The Transportation and Parking Plan required in the term sheet would provide the Director the information needed to make the determination.

COUNCIL MEMBER KITCHEN'S OFFICE

QUESTIONS/RESPONSES:

1) *Please provide a summary of all city costs and revenues contained in the term sheet.*

See attached.

- 20. Agenda Item #20:** Authorize negotiation and execution of an interlocal agreement with Travis County to integrate management of hazardous material containment, especially responding to Hazardous Materials incidents, by sharing personnel, equipment, technology and data, for an initial term of one year with up to five additional one-year terms.

QUESTION: How does the process of Hazardous Materials containment work in Williamson County?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

Williamson County has a Hazardous Materials Team that consists of resources from several

participating Williamson County Fire Departments (Round Rock, Georgetown, Cedar Park, Hutto, Taylor and Leander). The Williamson County Hazardous Materials Team program, and incident response, is supported and managed through the Williamson County Fire Marshall's Office. There are three regional Hazardous Materials Teams in the ten county Capital Area Council of Governments region:

Austin Fire Department - which responds to all HazMat incidents in the city limits of Austin and (by contract) Travis County and provides regional mutual aid to Lee, Blanco and the northern half of Bastrop counties

Williamson County - which responds to all HazMat incidents in Williamson County (excluding those within the city limits of Austin inside Williamson County) and provides regional mutual aid to Llano and Burnet counties

Hays County - which responds to all HazMat incidents in Hays County (excluding those within the city limits of Austin inside Hays County) and provides regional mutual aid to Fayette, Caldwell and the southern half of Bastrop counties.

25. **Agenda Item #25:** Approve a resolution declaring the City of Austin's official intent to reimburse itself from proceeds of certificates of obligation in the amount of \$6,000,000 to be issued for the funding of transportation safety and mobility projects that were previously planned to be funded through payments from Capital Metropolitan Transportation Authority.

QUESTION: 1) How will this impact the City's bonding capacity? How will this impact our capacity to issue Certs of Obligation in case of a true emergency or urgent need? 2) What is the projected timeline that these projects will be funded by issuance of bonds? 3) Whereas clauses #4 and #5 seem contradicting, could you please explain in detail the intent/desire of the issuer regarding each one?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

1) There will be no impact on the City's bonding capacity, nor will there be an impact on the City's capacity to issue Certificates of Obligation in case of an emergency or urgent need.
2) When the Council approves new projects and they've been added to the Project List, start and end dates are determined based upon existing workloads. We have been prioritizing Quarter Cent projects with a goal of completing the program by spring 2020. Securing the Certificates of Obligation via this action ensures that no delays will occur due to lack of a funding source.
3) As described in the Request for Council Action, the City's intent is to use sources of funding other than Certificates of Obligation first, only relying on issuing Certificates of Obligation if other funding sources cannot be identified. This action secures the option of using Certificates of Obligation, so that no delays in project advancement are caused if other funding cannot be identified. Clauses 4 and 5 together indicate our intent to issue tax exempt debt, but that we may expend other funding sources on hand to get started on the projects.

28. **Agenda Item #28:** Authorize the negotiation and execution of a 60-month lease agreement, with two one-year extension options, for approximately 11,839 square feet of hangar space and 2,542 square feet of office space for the Austin Police Department with Austin Executive Airport Services, LLC, a Texas Limited Liability Company, said property being located at 6012 Aviation Drive, in an amount not to exceed \$1,029,804.10 (Austin 2-mile ETJ).

QUESTION: 1) Is this a lease that has an option for the City to own the facility at the end of the period? 2) Do we have a plan to build or buy a facility that meets the need of this space? 3) Is this a type of needed space that the City will always lease space for instead of buying the space? If so, why?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

1) No, there is no option for the City to own the facility at the end of the period.

2) No, at this time there is no plan to build or buy a facility that meets the needs of this space.

APD prioritized the construction of an Air Operations Facility in the 2018 Bond Program Needs Assessment, however, the Bond Election Advisory Task Force did not recommended this project for funding and inclusion in the bond package.

This is a 5 year lease with the option to extend for an additional 2 years. Staff continues to strategically pursue acquisition options as they are presented. As the term of the proposed lease draws closer, Staff will research the feasibility of building or purchasing a facility that meets APD's needs.

3) APD identified a need for an Air Operations Facility during the 2018 Bond Program Needs Assessment. After a thorough market search, ORES has determined that there are no secure, stand-alone hangars with office space available for purchase in Austin at this time. In order for the City to own an Air Operations Facility, APD would thus need to construct its own facility on land yet to be acquired. APD and the Aviation Department have discussed a lease of land at ABIA for this purpose. At the time of the discussions, Aviation proposed the land would cost approximately \$60,000 annually to lease (with annual cost escalators), in addition to the \$8.0M construction cost. The Bond Election Advisory Task Force did not recommend this construction project for funding and inclusion in the bond package.

- 29. Agenda Item #29:** Authorize the negotiation and execution of an 87-month lease agreement, with one five-year extension option, for approximately 60,750 square feet of office and warehouse space for the Austin Transportation Department with IND AUSTX CTC, LLC, a Delaware Limited Liability Company, said property being located at 8700 and 8900 Cameron Road, in an amount not to exceed \$7,762,518.90.

QUESTION: 1) Is this a lease that has an option for the City to own the facility at the end of the period? 2) Do we have a plan to build or buy a facility that meets the need of this space? 3) Is this a type of needed space that the City will always lease the space instead of buying the space? If so, why? 4) Before the end of this 87 month period the City will have already moved DSD and other City Staff to the Highland campus, has it been considered to have a shorter lease and then move some of the ATD staff requiring office space to the One Texas Center when space becomes available?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

1) No, there is no option for the City to own the facility at the end of the period.

2) No, at this time there is no plan to build or buy a facility that meets the needs of this space.

Austin Transportation Department's need for this space is immediate, caused by the loss of its warehousing space at the St. Johns Home Depot site and LCRA's termination of its lease at 3701 Lake Austin Blvd. There is also a pressing need to relocate staff so that they can be co-located to provide for more efficient operations.

This is a 7-year lease with the option to extend for an additional 5 years. Staff continues to strategically pursue acquisition options as they are presented. Current strategic facilities planning does not include a purchase or construction of a facility to accommodate the need in the near term, but the needs of ATD continue to grow for warehouse and office space, which is a common theme among many departments. The Strategic Facilities Governance Team is working on analysis and plans to address many of these common needs across the City. As the end of the

lease term for the facility approaches, this analysis and space planning work will be utilized to move towards finding a long-term facility for these ATD operations.

3) No. The Strategic Facilities Governance Team is working on analysis and planning to address office and warehouse space needs across multiple departments within the City.

From the perspective of ATD, leasing this space provides the flexibility and capacity to meet the growing demands for transportation services and immediate inventory management needs. Currently, ATD has 9 locations that store materials and equipment. Many of these spaces are primarily occupied by other City departments. As previously indicated, ATD's primary inventory location at the St. Johns Home Depot site is required for other City uses and ATD has been asked to remove our supplies from this location (Note: the Home Depot building at St. Johns is no longer suitable for use because of its deteriorated state and environmental conditions). This proposed warehouse and office lease on Cameron Road will reduce the number locations occupied by ATD significantly and provide the department with the opportunity to plan operations and large scale projects. The property also gives ATD the opportunity to co-locate field operations (signals, signs, markings, inventory, arterial management staff, etc.) which will increase department cohesiveness and efficiency. The north location, along with ATD's locations in South and Central Austin (Barton Oaks, Toomey Rd., and Rio Grande) will allow the Department to assign staff to work locations that encourage reduced commute distance (using hotel office space in each of the buildings, ATD plans to use transportation demand management techniques to reduce employee commutes).

4) Although the Cameron Road facility will provide interim office space for ATD to meet its facility needs until the new Planning and Development Center at Highland Mall is complete, the majority of the Cameron Road facility is required for the consolidation of large inventory, heavy equipment and vehicles that are now spread over numerous locations. Accordingly, the operations moving to the proposed Cameron Road facility would not be appropriate to move to One Texas Center or the new Planning and Development Center at Highland Mall because of the operational needs of those divisions. The Cameron Road facility is also in close proximity to the TXDOT Austin District Headquarters. This will provide opportunity for greater interaction and cooperation. Likewise, the Cameron Road facility is in close proximity to CTECC. As ATD continues to encourage and pursue joint operations of a regional traffic management center (likely to be located at CTECC), the proximity of signal crews and arterial operations staff located at Cameron Road to the regional assets located at CTECC will encourage closer operational ties and efficiencies between the City and TXDOT.

- 30. Agenda Item #30:** Approve an ordinance vacating approximately 4.44 acres of certain portions of Congress Avenue, 16th Street, 17th Street, and 18th Street, all out of Division E of the Government Tract adjoining the Original City of Austin, to the Texas Facilities Commission, and waiving City Code Sections 14-11-74 (Appraisal of Property) and 14-11-75 (Payment for Right-of-Way).

QUESTION:

1. Would the value of the easement be added to the City's ledger with the Texas Facilities Commission?
 2. What is the current value of the ledger?
 3. Does Texas Facilities Commission have a ledger arrangement with other jurisdictions?
- COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

1. No, the value of the easement will not be added to the City's ledger with the Texas Facilities Commission (TFC). The right-of-way vacation and the utility tunnel easement will be provided to

- TFC in exchange for a “reasonable value” in accordance with Texas Government Code §2166.052.
2. \$1,319,208 is the current balance owed by TFC.
3. No, the TFC does not have a ledger arrangement with other jurisdictions.

QUESTION:

Questions regarding the Capitol Complex, from CM POOL’S OFFICE, see below.

ANSWER:

When Council approved this item previously, was language in that motion indicating that an appraisal or valuation of the associated utility easements and property interests would be waived, or is that waiver request new to this update?

The waiver of the appraisal is new to this update and was added to the Request for Council Action (RCA) in the event the appraisal was not completed at the time of Council consideration. The appraisal will be completed prior to August 9th, and a waiver of appraisal will not be needed. The posting language of the RCA will be amended to remove the waiver of the appraisal.

What method is being used to place current, accurate value on the 4.44 acres?

A third-party appraiser has been retained to provide an opinion of market value of the 4.44 acres of right-of-way to be vacated. Approval of the Council item would waive City Code Section 14-11-75 (Payment of Right-of-Way) as the right-of-way vacation and the utility tunnel easement will be provided to TFC in exchange for a “reasonable value” in accordance with Texas Government Code §2166.052.

Will this amount be placed on the State “ledger,” as discussed when this topic came to Council previously?

The right-of-way vacation and the utility tunnel easement will be provided to TFC in exchange for a “reasonable value” in accordance with Texas Government Code §2166.052. Please see the attached memorandum to Council dated November 30, 2017 regarding the exchange for a “reasonable value”.

Section 1.7 of the approved Interlocal Agreement states the following: “Parties commit to expediting the negotiation of an agreement, subject to Austin City Council approval, to facilitate the exchange of this and any other necessary property interest, including easements for utility tunnels, for a “reasonable value” in accordance with Texas Government Code §2166.052.”

What is the current amount on that ledger that the State of Texas owes to Austin taxpayers?

\$1,319,208 is the current balance owed by TFC.

- 32. Agenda Item #32:** Approve an ordinance creating City Code Chapter 13-7 to enact regulations for vehicle immobilization services (vehicle booting); authorizing related fees; and creating offenses.

QUESTION: What are the set criteria to justify the request of a boot removal by a peace officer or transportation enforcement officer? What would be the grounds for the director to deny, suspend or revoke a license or operating permit?

COUNCIL MEMBER HOUSTON’S OFFICE

ANSWER:

What are the set criteria to justify the request of a boot removal by a peace officer or transportation enforcement officer?

Officers are obligated to act in a reasonable manner and within the law. An officer could require the removal of a boot if he/she had a reasonable belief that the boot was applied in violation of

the proposed law. Please see some examples below:

- Unlicensed or unpermitted
- No written agreement between lot owner and the licensee
- No signs posted per State Code
- Form of payment not accepted by booting company
- No safety apparel worn
- Boot not removed within one hour of call

What would be the grounds for the director to deny, suspend or revoke a license or operating permit?

APD and ATD will be adopting rules to set out the criteria to deny, suspend, or revoke a license or permit. The rules will be similar to that for tow truck drivers, and will focus on whether the operators and business owners are fit to engage in vehicle booting based on their criminal backgrounds, whether they are using safety equipment (licensee), and whether they have proper insurance (licensee). Vehicle booting poses a particular danger to the public because it involves immobilizing people's cars in possibly remote places or places far from their homes. Therefore, it is important that licensees and operators be fit and safe to interact with the public in this business.

- 33. Agenda Item #33:** Authorize negotiation and execution of Amendment No. 4 to the agreement with Asian American Resource Center, Inc. for the provision of community health navigation services to Asian American immigrant groups, adding three 12-month extension options beginning October 1, 2018 in an amount not to exceed \$155,000 per extension option for a total agreement amount not to exceed \$807,775.

QUESTION: How many individuals have been enrolled in what services during the current contract period? Please provide a breakdown by the identified primary languages.

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

The current contract period is January 1, 2018 - September 30, 2018. Year to date a total of 87 unduplicated clients have been served. Clients work with a Community Health Worker to connect to services and navigate through systems of care. The total goal for the contract is 114 unduplicated clients.

Please provide a breakdown by the identified primary languages.

Language - # of individuals

Korean - 42

Vietnamese - 19

Burmese - 26

Total - 67.

- 42. Agenda Item #42:** Authorize award and execution of a multi-term contract with Emancipet, Inc., to provide heartworm treatment services for dogs, for up to five years for a total contract amount not to exceed \$675,000.

QUESTION: What is the number of vouchers issued over the past 3 years? How many heartworm positive animals have been adopted from the shelter? How many transferred to other shelters?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

1) What is the number of vouchers issued over the past 3 years?

The following chart shows the number of vouchers issued for each of the previous 3 years:

Fiscal Year 2015	360
Fiscal Year 2016	346
Fiscal Year 2017	252
Fiscal Year 2018	161 (To date)

2) How many heartworm positive animals have been adopted from the shelter?

The same number of vouchers are issued each year as the shelter gets heartworm positive animals, so the numbers for the previous 3 years are:

Fiscal Year 2015	360
Fiscal Year 2016	346
Fiscal Year 2017	252
Fiscal Year 2018	161 (To date)

3) How many transferred to other shelters?

The following chart shows the number of heartworm positive animals that were transferred to other shelters:

Fiscal Year 2016	156
Fiscal Year 2017	142
Fiscal Year 2018	66 (To date)

Heartworm Vouchers are not issued to shelter or rescue transfer partners.

- 43. Agenda Item #43:** Authorize negotiation and execution of a multi-term contract with Austin Music Foundation, to provide a workforce development and continuing education program for local musicians, for up to three years for a total contract amount not to exceed \$225,000.

QUESTION:

The backup information on the RCA stated that the services would be delivered through AMF as well as local higher education partners. Which ones are they referring to?

The backup says that AMF is expected to provide education to about 4000 musicians. Is that over the course of just one year (the initial term) or the full three years?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

The higher education partners who will also be delivering these services haven't been worked out yet. The intention is that they will be local institutions, however, building those partnerships is part of the scope of work for this contract.

QUESTION:

AMF is expected to provide education to 4000 musicians over the full three years.

: Was a competitive procurement process, like an RFP or RFQ, done for this project or was it a sole source procurement process?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

This is being requested as a professional service contract, which is exempt from the State of

Texas competitive bidding requirements. The Economic Development Department conducted market research prior to declaring it a professional service and found that AMF was uniquely qualified to provide curriculum and services to local musicians for a reasonable price.

- 44. Agenda Item #44:** Authorize an amendment to an existing contract with Capital Investing in Development & Employment of Adults, Inc. D/B/A Capital IDEA, to provide continued workforce development services, for an increase in the amount of \$319,200, for a revised total contract amount not to exceed \$10,353,100.

QUESTION: Does all of Capital IDEA's funding come from the Economic Development Department? If not, where do they get additional funding? How much funding has been received from all sources since 2015? How many individuals have entered the program? How many individuals have graduated from the program? How many continue to be employed in 2018?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

- 1) *Does all of Capital IDEA's funding come from the Economic Development Department? If not, where do they get additional funding?*

Capital IDEA's funding does not all come from the Economic Development Department. Funding is received from a variety of sources including public, private and philanthropic entities. Information regarding their organization can be found on their public website:

www.capitalidea.org

<http://www.capitalidea.org/wp-content/uploads/2018/05/AR2017-web.pdf>

- 2) *How much funding has been received from all sources since 2015?*

Staff would need to contact Capital IDEA to request a breakdown of all funding since 2015. Below is financial information excerpted from the Capital IDEA 2017 Annual Report available publicly at:

www.capitalidea.org/wp-content/uploads/2018/05/AR2017-web.pdf

<http://www.capitalidea.org/wp-content/uploads/2018/05/AR2017-web.pdf>

2017 Revenue:	\$6,033,179
Foundation Grants:	\$2,613,945
City of Austin:	\$1,878,690
Travis County:	\$ 881,856
State ACE Fund:	\$ 215,625
Individual & Corporate:	\$ 15,890
Other Revenue:	\$ 427,173

Financial information in this report is drawn from the financial statements and independent auditors report prepared by Montemayor Britton Bender PC, certified public accountants.

- 3) *How many individuals have entered the program?*

During the City of Austin contract fiscal year 2017, Capital IDEA reporting serving 1,224 clients entering or continuing the multi-year program.

- 4) *How many individuals have graduated from the program?*

The average time of enrollment during degree and certificate programs is 3.3 years. Capital IDEA clients earned 112 Degrees & Certificates during Capital IDEA calendar year

2017 (December graduates are often placed in careers the following year).

5) How many continue to be employed in 2018?

Reporting for the 2018 contract year is not yet due or complete. During the last completed contract year-end report (2017) Capital IDEA reported that 105 clients (100%) obtained employment, all achieving wages above \$12/hr. 92 (88%) of clients reported employment within 90 days of program completion and 73 (84%) of clients reported employment at 180 days. EDD continues to work through the Master Community Workforce Plan to create data programs that would allow for additional longitudinal outcome tracking that would extend beyond 180 days.

QUESTION:

Who requested the amendment to the contract? Was this a sole source contract or an RFP? What was the motivation to have this increase? And, why now?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

EDD coordinated with the Purchasing Office to determine the best method to deliver the services requested in Council Budget Rider (CIUR 1963).

Capital IDEA's existing contract MA 5500 NA160000015 was awarded via an RFP (EAD0118) and approved by Council on 11/20/14, #70.

Direction was given in the form of a Budget Rider (CIUR 1963) to provide workforce training and supportive services to trainees for long term employment opportunities at a living wage and a two-year degree. EDD coordinated with the Purchasing Office to determine the best method to deliver the services requested in the reference budget rider. The requested services very closely align with those provided via Capital IDEA's existing contract MA 5500 NA160000015 and it was determined that an amendment was appropriate to meet the specific direction of the budget rider.

- 45. Agenda Item #45:** Authorize negotiation and execution of a multi-term contract with Austin Regional Manufacturers Association D/B/A ARMA, to provide workforce development services, for up to three years for a total contract amount not to exceed \$360,000.

QUESTION: Where is this Association located? How many people will they provide workforce development services to?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

Austin Regional Manufacturers Association dba ARMA is located at 1910 W. Braker Lane, Building 3, Suite 100 Austin, TX 78758.

This contract focuses on piloting a range of activities meant to explore, establish and expand training pathways to manufacturing careers. One central piece involves the development and piloting of an industrial/manufacturing internship program for adults, emphasizing those with barriers to employment, with the goal of at least 30 paid internships secured and initiated during the initial one-year contract term. If successful, any future extension options would increase the number of interns and further expand this scope to consider adapted deliverables based on progress and success of piloted activities. Community outreach is also included in this contract that shall be conducted in coordination with area schools concerning training,

certifications, paid internships, and employment. Outreach will include presentations, demonstrations and facility tours. This contract works toward long-term goals in the manufacturing sector via coordination with Workforce Solutions Capital Area and area school districts. This contract also includes detailed reporting concerning successes, challenges, and recommendations for the program to be implemented to support the program's continuing success and sustainability. These reports and outcomes from the pilot programs will be evaluated after the initial one-year term to determine feasibility, scale and direction for any extension of the contract.

QUESTION:

Was this a sole source contract or an RFP? What was the motivation for bringing forward this item now?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

This is being requested as a professional service contract, which is exempt from the State of Texas competitive bidding requirements.

EDD has been exploring strategic investments to program available workforce development funds in the department budget. Based on Council's adoption of Strategic Direction 2023 and subsequent identification of priority for strategies addressing the skills and capability of community workforce, EDD sought solutions to align these priorities with support for the recently adopted Austin Area Master Community Workforce Plan and last year's study of manufacturing employers. In that study, EDD collaborated with ARMA, Austin Community College and Workforce Solutions to have the University of Texas Ray Marshall Center for the Study of Human Resources conduct a third-party study of manufacturing employers in the Austin area. The scope of work for this proposed contract ensures action based on the recommendations of the study by leveraging the expertise and community relationships developed by ARMA through the recent study and past years of work with Austin manufacturers.

- 47. Agenda Item #47:** Authorize negotiation and execution of a cooperative contract with Fitness In Motion, for exercise equipment, in an amount not to exceed \$96,000.

QUESTION: What happens to the fitness equipment that is no longer used?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

When fitness equipment is broken the facilities team is responsible for inspecting the items to see if they are repairable. When fitness equipment is broken and beyond repair the facilities team is responsible for disassembling the items before throwing them away, ensuring that any plastic or metal parts are recycled. For items that are still usable but no longer needed, the department sells the equipment through an auction process.

- 57. Agenda Item #57:** Approve a resolution proclaiming "Barton Springs University Day" and allowing free admission to Barton Springs Pool on Tuesday, September 25, 2018.

QUESTION: What is the estimated participant number and fiscal impact? Will there be a mechanism to validate participants as university or school affiliates? For example, will there be school ID verification? What has been the estimated number of participants and fiscal impact in the past for Barton Springs Fest or similar annual events? How many annual events are held at Barton Springs that provide free or discounted entrance fees?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

The resolution for Barton Springs University originally allowed for free entry until 2pm. This resolution was approved in May of 2013, and identifies the second Saturday in August as Barton Springs Fest. However, based on the large crowds in August, the request was made to move the event to September, identify a full day for free entry to the pool for all, and call the event Barton Springs University Day.

Due to the fact that the pool will be free for entry all day there will be no verification of school affiliations. However, area schools are invited to attend.

Historically, Barton Springs University draws larger crowds. Last year's Barton Springs University was held on Tuesday, September 26th, and served over 1100 free participants. Because there are different fee levels dependent on age, and ages were not verified upon entry, it is difficult to determine an exact estimated fiscal impact for a fee waiver for Tuesday, September 25, 2018. Using last year's attendance numbers as a baseline, and estimating half of the participants are juniors aged 12-17, would result in approximate fee waivers of \$2750.

There are two standing free days at Barton Springs Pool, one being the first Saturday in June known as Barton Springs Free Day and a Tuesday in September known as Barton Springs University.

- 58. Agenda Item #58:** Approve a resolution directing the City Manager to identify potential sources of funding for the continuation of the Expanded Mobile Crisis Outreach Team.

QUESTION: 1) Can City Staff please provide an estimate for the amount of City resources, including City Staff time, required to implement this resolution if approved? 2) When was the 1115 Medicaid Waiver policy changed? 3) Is Travis County participating in funding for EMCOT in FY 2019? If so, what is the dollar amount and what percentage of EMCOT's FY 2019 budget is Travis County funding? 4) Does EMCOT provide services or co-respond to calls in areas of Travis County that are outside the City of Austin? 5) Does EMCOT provide services or co-respond to calls in all part of the City of Austin limits including the portions of Austin in Williamson County?
COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

It is difficult to determine at this time the resources required, but several departments included Austin Public Health, APD and EMS would be working on developing a contract, returning to Council for approval and execution/approval by the vendor. Staff estimates this would take 6 weeks.

EMCOT Funding was not included in the City's initial 1115 Waiver projects. In January 2018, Centers for Medicare and Medicaid Services (CMS) and The Health and Human Services Commission (HHSC) approved a protocol that called for a shift from a project to system focus. This meant DSRIP providers had to propose initiatives that would help measure the effectiveness of system of care rather than a standalone project. Performance measures are now applied to the system as a whole rather than being linked with specific projects. For example, Austin Public Health is now a system of care, and has selected measures that can be applied to persons receiving services at any program within APH, i.e. WIC clinic, Immunizations or Mobile outreach. Previously outcomes were counted at singular service points and only with respect to the specific project/service that was funded.

The entire city limits, including those areas in Williamson County are part of the EMCOT service

area.

A request for funding has been submitted to Travis County. There has been no decision to date as the County is currently going through its budget process.

- 59. Agenda Item #59:** Approve a resolution expressing Council's desire that city resources, including fee waivers, be used only for Veterans Day events and parades that only honor those who have served in the United States of America's Armed Forces.

QUESTION: Is the purpose of item #59 to single out specific groups? If adopted is the council saying that it will not even consider granting fee waivers for organizations or entities whose viewpoints may differ?

Please define/explain the use of term "City Resources" as it relates to the resolution.

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

The intent of Item #59 is to support a Veterans Day parade that focuses on honoring those who have served in the Armed Forces of the United States of America. The intent of the IFC is not to single out any other specific group and it neither identifies nor singles out any other specific group.

Item #59 does not address and remains neutral as to "viewpoints" of any organization or entity. By passing Item #59, the Council would be expressing its support for Veteran Day events and parades that focus on and honor only those that have served in the Armed Forces of the United States of America. To implement Item #59, City staff will not need, nor should it ascertain or consider the viewpoint of any organization or entity. The prohibition concerning uniforms, flags and symbols not of the United States Military Armed Forces is to be neutrally applied as to all organizations or entities and as to all military armed forces not of the United States of America. The resolution does not limit the Council from future consideration of granting fee waivers in any context that might be brought before it by Council Members.

City Resources generally refers to fee waivers and any discounts to fees the city may provide. In this case, it would also include any firetrucks, not in service, that participate in the parade.

RESPONSES PROVIDED BY MAYOR'S ADLER'S OFFICE.

- 60. Agenda Item #60:** Approve a resolution to explore an independent third party appeals process for municipal employees when certain healthcare claims are denied.

QUESTION: Can City Staff please provide an estimate for the amount of City resources, including City Staff time, required to implement this resolution if approved?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

The Human Resources Department currently has benchmark data that provides information on other Texas public sector entities utilizing independent third party appeals. We would need to contact these entities to expand the information to include limitations, opportunities, types of claims sent to the third party and the annual cost of a third-party review. Further, we would need to expand the data to include other public-sector entities outside of Texas. For this level of research, and to compile the information into a benchmarking document, we estimate needing approximately three months to complete. One individual would work on this project for continuity, and the costs to complete the review would include the individual's regular wages.

Should the City Council direct the City Manager to use an independent third-party company for the review of denied healthcare claims, this would be achieved through a competitive Request for Proposal (RFP) process. The Purchasing Office, in partnership with the Human Resources Department, would issue a solicitation. To issue an RFP, Human Resources staff would write the solicitation and then work with the Purchasing department to issue, evaluate and recommend a vendor. With the current staff workload, including preparing for the upcoming open enrollment process and working with the Purchasing Office, the solicitation process is estimated to take 6-8 months. The proposal evaluation team would consist of at least three staff members: benefits coordinator, benefits consultant and assistant director, and would require staff to work on this project several hours each a week to issue the solicitation. Depending on the number of responses received, review of the proposals may take an additional 30 hours, and then staff would spend time during the award and contract preparation period assisting Purchasing with any questions they may have.

Staff has requested that the Purchasing Office reach out to the vendor to inquire on the feasibility of providing an appeal process outside of their current purview to then advise the City on in a timeframe less than the anticipated City timeframe of 6-8 months.

- 61. Agenda Item #61:** Approve a resolution relating to guidance for implementation of general obligation bond projects and programs for the November 2018 bond election.

QUESTION: Can City Staff please provide an estimate for the amount of City resources, including City Staff time, required to implement this resolution if approved?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

A substantial portion of the work related to implementing this resolution will be absorbed into existing City resources, such as debt issuance from Treasury, project management from the Public Works Department, and bond program oversight/monitoring from Financial Services Department/Executive staff. Additional Operations & Maintenance costs associated with this bond program have been estimated and can be found in the response to a Council bond question #19 at <http://www.austintexas.gov/budget/councilbondquestions/index.cfm>.

QUESTION: Please provide a detailed breakdown of programs and projects proposed to receive funding in the 2018 Bond proposal? The Bond Election Advisory Task Force provided an ideal breakdown in their report to council. Could you please provide a table of comparison from this package to the Bond Election Advisory Task Force report?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

See attachment.

- 62. Agenda Item #62:** Approve a resolution creating a temporary donated sick leave program for sworn Austin Police Department employees on the same terms as provided in the 2013-17 meet and confer agreement between the City and the Austin Police Association.

QUESTION: Can City Staff please provide an estimate for the amount of City resources, including City Staff time, required to implement this resolution if approved?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

It is difficult to come up with an estimate because it depends on each individual situation. The program requires the employee apply to the program for the hours and this request is reviewed and approved by the Chief or his designee. Then the APD HR Manager sends out a request for donations and forms are submitted from employees wishing to donate for up to 40 hours and a max of 400 hours. Donations are processed by the HR Manager by making adjustments from the bank of the donator to the employee receiving donations. This takes that manager around 30 minutes. The hours are then used as needed by the employee and the HR manager monitors the accrual bank of that employee.

During calendar year 2017, 6 employees received donations through this program and in calendar year 2016, 4 employees received donations. The administrative cost is minimal.

- 77. Agenda Item #77:** Briefing on the Project Assessment Report for the 218 South Lamar Planned Unit Development, located at 218 South Lamar Boulevard, within the Lady Bird Lake Watershed within the Urban Watershed (CD-2018-0003).

QUESTION: How is a planned unit development defined in the Land Development Code? Why is a planned unit development being considered for this property, rather than a standard zoning district? Have exceptions been made for other properties that don't meet the definition? If so please identify the properties, the justification and the date.

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

Planned Unit Developments (PUDs) are defined in code as follows:

§ 25-2-144 - PLANNED UNIT DEVELOPMENT (PUD) DISTRICT DESIGNATION.

(A) Planned unit development (PUD) district is the designation for a large or complex single or multi-use development that is planned as a single contiguous project and that is under unified control.

(B) The purpose of a PUD district designation is to preserve the natural environment, encourage high quality development and innovative design, and ensure adequate public facilities and services for development within a PUD.

(C) A PUD district designation provides greater design flexibility by permitting modifications of site development regulations. Development under the site development regulations applicable to a PUD must be superior to the development that would occur under conventional zoning and subdivision regulations.

(D) A PUD district must include at least 10 acres of land, unless the property is characterized by special circumstances, including unique topographic constraints.

The Applicant has requested PUD zoning in order to allow greater height and different design standards than are allowed in the base zoning category and by the Butler Shores subdistrict of the Waterfront Overlay. A complete list of requested variances/modifications is attached with the Development Assessment memorandum in backup.

City Council has approved several PUDs in the past several years, and three of those PUDs were less than 10 acres in size. As stated, a PUD district does not have to exceed 10 acres in size if "the property is characterized by special circumstances." The three PUDs that were under 10 acres and approved were all located within the Waterfront Overlay, and it appears that Council considered that part of the "special circumstances." These were the following PUDs:

- Broadstone at the Lake, 201 S. First Street. City File # C814-2012-0071; Ordinance # 20121018-091 approved October 18, 2012. The 1.53 acre site is located in the South Shore Central subdistrict of the Waterfront Overlay.
- 211 South Lamar, 211 S. Lamar Boulevard. City File # C814-2012-0160; Ordinance #

20131017-052 approved October 17, 2013. The .93 acre site is located in the Butler Shores subdistrict of the Waterfront Overlay.

- 425 West Riverside Drive PUD, 425 W. Riverside Drive, 400 and 510 Barton Springs Road. City File # C814-2017-0001; Ordinance # 20180510-083 approved May 10, 2018. The 1.45 acre site is located in the South Shore Central subdistrict of the Waterfront Overlay.

- 88. Agenda Item #88:** C14-2018-0002 - Delwau Campgrounds - District 1 - Conduct a public hearing and approve an ordinance amending City Code Title 25 by rezoning property locally known as 7715 Delwau Lane (Colorado River Watershed). Applicant's Request: To rezone from single family residence-standard lot (SF-2) district zoning to general commercial services-mixed use-conditional overlay (CS-MU-CO) combining district zoning and commercial liquor sales-mixed use-conditional overlay (CS-1-MU-CO) combining district zoning. Staff Recommendation: To grant general commercial services-mixed use-conditional overlay (CS-MU-CO) combining district zoning and commercial liquor sales-mixed use-conditional overlay (CS-1-MU-CO) combining district zoning. Zoning and Platting Commission Recommendation: To grant general commercial services-mixed use-conditional overlay (CS-MU-CO) combining district zoning and commercial liquor sales-mixed use-conditional overlay (CS-1-MU-CO) combining district zoning, with conditions. Owner/Applicant: Delwau LLC (Adam Zimmerman). Agent: South Llano Strategies (Glen Coleman). City Staff: Heather Chaffin, 512-974-2122.

QUESTION: How many units are proposed for this site? What is the width of the road and what is the status of the shoulders? Are there street lights? What has been done to address the flooding issues along Delwau?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

This not a proposed residential project; it is a proposed campground with an associated cocktail lounge use. The Applicant has stated that they proposed approximately 70-80 recreational vehicle spaces, food trucks, and alcohol sales. More details from the Applicant are provided in Exhibit B of the Staff Report.

Delwau Lane is classified as a local collector roadway and measures 20 feet in width. The speed limit is 25 mph, and there are no sidewalks or designated bike lanes. There is a connection to the Walnut Creek Greenbelt trail. There is no curb/gutter or street lights.

Staff has received report that there is flooding over the roadway west of the rezoning tract. There are no planned transportation or drainage infrastructure improvements planned by the City in the area. However, if the rezoning is granted, the property owner has agreed to construct additional roadway width and provide ADA compliant pedestrian access adjacent to their site. More details about roadway/traffic issues are provided in Exhibit A of the Staff Report (Neighborhood Traffic Analysis memorandum).

- 109. Agenda Item #109:** Council discussion and possible action related to plans submitted in response to Resolution No. 20180628-060 regarding development on a city-owned site located at 10414 McKalla Place.

QUESTION:

Provide history of the McKalla Place regarding Capella Partners and what happened to the request for proposal?

COUNCIL MEMBER POOL'S OFFICE

ANSWER:

Below is a recap of the McKalla Place analysis:

In early December 2016, Capella Partners met with City staff. Capella Partners indicated they had met previously with Former City Manager Marc Ott. As the landowner directly adjacent to the west from the City owned property at 10414 McKalla Place, they were interested in sharing information about their proposed project and inquiring about the City's plans for the adjacent site. During the meeting, staff indicated that any mixed-used redevelopment on the parcel would require a Request for Proposal (RFP) procurement process. Staff also indicated a Council briefing would be required prior to any issuance of a RFP regarding the McKalla Place property.

In order to be fully informed prior to any Council briefing and work on drafting a RFP, the Office of Real Estate Services (ORES) staff ordered an independent appraisal of the property. ORES staff worked on a draft potential RFP document; however, a formal solicitation process never began.

In August 2017, the Office of Real Estate Services provided a memo updating Council on overall redevelopment of city land, and citing ten City Council resolutions pertaining to re-use of City owned real estate. Staff indicated that responses to these resolutions were being consolidated to provide a more comprehensive response. Staff recommended a "portfolio" approach rather than individual, and that a briefing for Council would be scheduled.

On March 6, 2018, staff presented to City Council a "*Framework for Redevelopment of City Owned Land*" <<http://www.austintexas.gov/edims/document.cfm?id=294293>>. In that presentation, McKalla Place was listed as one of the initial sites ready for a mixed-used redevelopment that could accomplish community objectives such as affordable housing, parks, and creative space. In addition, staff detailed a new framework process for such a redevelopment effort.

Later that month, on March 22, 2018, City Council passed resolution 20180322-99 "directing the City Manager to conduct further analysis of 10414 McKalla Place as a major league soccer stadium".

Pursuant to Resolutions 20180628-060 and 20180628-130 approved by Council on June 28, 2018, two items are on the Council's August 9, 2018 agenda related to 10414 McKalla Place including items #19 and #109.

- 111. Agenda Item #111:** Approve a resolution finding that CodeNEXT is no longer a suitable mechanism to achieve its stated goals and directing the City Manager to develop and propose a new process leading to a Land Development Code that achieves the stated goals of the City as outlined in the Imagine Austin Comprehensive Plan, the Strategic Housing Blueprint, and the Austin Strategic Direction 2023 Plan.

QUESTION: Can City Staff please provide an estimate for the amount of City resources, including City Staff time, required to implement this resolution if approved?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

Staff resources and costs have not been determined at this time. Staff will provide Council with an update on anticipated funding and resource needs once a new proposed process has been developed.



Recommendation for Action

File #: 18-2806, Agenda Item #: 5.

8/9/2018

Agenda Item

Agenda Item #5: Authorize negotiation and execution of a financing agreement with the Texas Water Development Board for a 20-year low interest loan in the amount of \$3,000,000 from the State Water Implementation Fund for Texas loan program for costs to implement Austin Water's Advanced Metering Infrastructure project.

QUESTION:

What is the type of AMI system Austin Water is looking into implementing? Is it a cloud-based system? I understand the point of AMI systems is to focus on infrastructure improvements throughout time - Is Austin Water budgeting to include anticipated infrastructure improvements in future budgets?

COUNCIL MEMBER TROXCLAIR'S OFFICE

ANSWER:

We are currently in the midst of designing the requirements of the system and do not have answers to these questions at this time. The request going before council is the first allocation of our SWIFT funding. This allocation is to support our design effort. Anticipated infrastructure improvements are in AW's CIP Plan.



Recommendation for Action

File #: 18-2811, Agenda Item #: 6.

8/9/2018

Agenda Item

Agenda Item #6: Approve an ordinance amending City Code Chapter 15-5 related to on-site sewage facilities.

QUESTION: How would “Low Pressure Dosage Onsite Wastewater Treatment” and/or a “Wastewater Wetland” fit into this new framework, and are those methods of wastewater treatment currently allowed by the City of Austin?

COUNCIL MEMBER HOUSTON’S OFFICE

ANSWER:

Low-pressure dosed (LPD) drainfields are allowed in the City’s jurisdiction for on-site sewage facilities. This type of disposal system can be preceded by primary or advanced treatment units. The maintenance requirements addressed by the proposed code change would only apply to an LPD system if the system was preceded by a secondary or higher treatment unit. On-site private “wastewater wetlands” are not a typical type of treatment or disposal method for residential use and would require special evaluation as an “alternative treatment technology” for permitting.

The proposed ordinance does not introduce additional requirements to any treatment or disposal system type. Per state regulations advanced treatment systems (secondary and above) are required to enter into a maintenance agreement with a TCEQ-licensed maintenance provider during the first two years following installation of the system. Per current COA regulations, all advanced treatment systems are required to retain the services of a TCEQ -licensed maintenance provider for the life of the system, homeowners with secondary treatment systems are offered the opportunity to maintain their own system so long as they are trained and meet the City's registration requirements (these must be owner-occupied residences). The proposed ordinance does not change these requirements.



Recommendation for Action

File #: 18-2795, Agenda Item #: 7.

8/9/2018

Agenda Item

Agenda Item #7: Authorize award and execution of a construction contract through Sourcewell with ChargePoint Inc., for construction and equipment installation services for electric vehicle charging infrastructure, in the amount of \$1,500,000 for an initial 2-year term, with two 1-year extension options of \$850,000 each, for a total contract amount not to exceed \$3,200,000.

QUESTION: How does Austin Energy determine the locations for installing Chargepoint stations?
COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

There are two business uses with different methodologies for site locations for this contract.

1. City Fleet: \$1.7M to install charging infrastructure over the next 3 years at City facilities to support a fleet electric vehicle (EV) rollout by Fleet Services.
2. DCFast Public: \$1.5 million to install public DCFast stations with a goal for a diverse pilot deployment of retail, gas stations, multifamily, workplace, and airport locations to support taxi, transportation network company (TNC), and interstate EV travel that requires access to DCFast stations to operate.

City Fleet performs department vehicle needs assessments, identifies and purchases EVs, and identifies the location of charging infrastructure for city-owned vehicles. The locations are chosen based on where the city-owned EVs are used or housed. City-owned electric charging stations are located on City property. This EV infrastructure project supports the Council goal of "making the entire City fleet of vehicles carbon neutral by 2020" contained in [Resolution No. 20070215-023 <http://www.austintexas.gov/edims/document.cfm?id=100723>](http://www.austintexas.gov/edims/document.cfm?id=100723) as well as the 2016 City Fleet Electrification Feasibility Study and Plan completed in response to [Resolution No. 20160505-025 <http://www.austintexas.gov/edims/document.cfm?id=255026>](http://www.austintexas.gov/edims/document.cfm?id=255026).

The first city-owned DCFast Charge station pilot was installed on Electric Drive in the Seaholm Eco District as a sustainability showcase for Austin. Austin Energy plans to expand to an additional 9-10 DCFast stations at the following host locations:

- 1 - ABIA Cell Phone Lot, 3600 Presidential Blvd.
- 1 - Misuma Holdings, 6406 N. I-35
- 1 - Travis County, 700 Lavaca
- 1 - PSW Eastline, 2008 E. 7th (near multi-family residences and Huston-Tillotson)
- 2 - ExecuTesla, 2705 Highway 71 (near ABIA)
- 2 - Austin Film Society, 1901 E. 51st (Mueller)
- 2 - Southpark Meadows, 9900 S. I-35

DCFast station locations were determined based on best practices and input from the Rocky Mountain Institute and Idaho National Laboratory DCFast siting and design criteria to determine the best locations to install up to 10 DCFast

Charge stations in Austin. Optimum locations for these fast charging stations support high Vehicle Miles Traveled (VMT) applications including taxi electrification, Transportation Network Company (RideATX, Maven Fleet) or other gig economy drivers (Favor, InstaCart). Other important criteria include high-voltage electric service access and identifying a host who is willing to provide 1-2 conventional parking spaces per station at no cost to the city for at least 5 years.

QUESTION: Has there been any coordination with Central Texas Regional Mobility Authority or the Texas Department of Transportation to coordinate placement of charging stations near Hwy 183 or Texas Toll Road 130? How many electric vehicles does the City of Austin own, by Department and enterprise entities? What is the usage on Electric Drive in the Seaholm Eco District?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

No, the criteria, best practices and host availability did not support siting the DCFast charging stations in these areas and therefore we did not coordinate with these agencies. However, if future criteria score these locations higher, we fully intend to reach out to TxDOT and CTRMA to discuss charging station placement. DCFast station locations were determined based on best practices and input from the Rocky Mountain Institute and Idaho National Laboratory DCFast siting and design criteria to determine the best locations to install up to 10 DCFast Charge stations in Austin. Optimum locations for these fast charging stations support high Vehicle Miles Traveled (VMT) applications including taxi electrification, Transportation Network Company (RideATX, Maven Fleet) or other gig economy drivers (Favor, InstaCart). Other important criteria include high-voltage electric service access and identifying a host who is willing to provide 1-2 conventional parking spaces per station at no cost to the city for at least 5 years. The optimum locations identified for DCFast stations in Austin are listed below.

- 1 - ABIA Cell Phone Lot, 3600 Presidential Blvd.
- 1 - Misuma Holdings, 6406 N. I-35 (near I-35 & Hwy. 290 East)
- 1 - Travis County, 700 Lavaca
- 1 - PSW Eastline, 2008 E. 7th (near multi-family residences and Huston-Tillotson)
- 2 - ExecuTesla, 2705 Highway 71 (near ABIA)
- 2 - Austin Film Society, 1901 E. 51st (Mueller)
- 2 - Southpark Meadows, 9900 S. I-35

The City has a total of 101 EVs (Electric Vehicles) and PHEVs (Plug-in Hybrid Electric Vehicles) in its fleet. The table below lists the number of these vehicles by department.

- Austin Code Dept. - 4
- Austin Convention Center - 2
- Austin Energy - 14
- Austin Fire Dept. - 2
- Austin Police Dept. - 10
- Austin Public Health - 5
- Austin Resource Recovery - 5
- Austin Transportation Dept. - 21
- Austin Water - 8
- Aviation Dept. - 1

Building Services - 1
Development Services Dept. - 15
Fleet Services - 7
Parks and Recreation Dept. - 3
Planning and Zoning Dept. - 1
Watershed Protection Dept. - 2
TOTAL 101

The DCFast station on Electric Drive over the last 12 months has delivered 54 megawatt hours (MWh) of electricity, from 4,103 charging sessions, fueling approximately 189,000 electric miles.



Recommendation for Action

File #: 18-2870, **Agenda Item #:** 9.

8/9/2018

Agenda Item

Agenda Item #9: Authorize award and execution of a construction contract with Control Panels USA, Inc., for the River Place MUD and Lost Creek MUD Volume I: Reservoir and Package project in the amount of \$2,238,900 plus a \$111,945 contingency, for a total contract amount not to exceed \$2,350,845.

QUESTION: Are there any anticipated impacts to the surrounding communities, like construction on streets or other public right-of-ways to install infrastructure related to these projects?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

As stated in the RCA, all work will occur entirely within non-public areas of the neighborhood; therefore, construction activities will not affect the public.



Recommendation for Action

File #: 18-2897, Agenda Item #: 13-15.

8/9/2018

Agenda Item

Agenda Items #13-15: Economic Incentive Policy items (Chapter 380)

QUESTION:

Please explain exactly what is being repealed with the repeal of resolution of 20180809-013. Specifically, what parts of resolution 20180809-013 establish or otherwise impact economic development policies, procedures, or programs and therefore stand to be repealed?

I am interested in funding high scoring projects. Beyond the first year, how will the grant category framework move on from funding just those that meet the minimum threshold on a first come first serve basis?

Please explain when a per job and/or a property tax reimbursement would be employed. Would these be used in combination or singularly and when would each be used?

Can qualifying companies be both for profit and nonprofit? Can a third party hiring organization be eligible for incentives and what incentives are they eligible for?

Regarding the repeal of resolution 20130822-016 which affects music venues, please explain what will be developed in place of what is being repealed and provide the anticipated timeline.

COUNCIL MEMBER ALTER'S OFFICE

ANSWER:

1) Please explain exactly what is being repealed with the repeal of resolution of 20180809-013. Specifically, what parts of resolution 20180809-013 establish or otherwise impact economic development policies, procedures, or programs and therefore stand to be repealed?

The attached chart outlines the Resolutions and Ordinance proposed for repeal.

2) I am interested in funding high scoring projects. Beyond the first year, how will the grant category framework move on from funding just those that meet the minimum threshold on a first come first serve basis?

All projects awarded financial assistance will meet threshold, which will be designed to identify and fund high quality projects. To ensure capital is made available as opportunities are identified, it is staff's recommendation to allow evaluation of applications as applications are submitted to the City for review. A scoring criteria at the onset of program creation will ensure high quality projects are those funded. In addition, upon evaluating projects from the first year of programming, staff will have the opportunity to make necessary adjustments to connect resources with a variety of business types to achieve outcomes related to the portfolio.

3) Please explain when a per job and/or a property tax reimbursement would be employed. Would these be used in combination or singularly and when would each be used?

There are two single and exclusive options for financially incentivizing projects in the proposed Business Expansion Program Guidelines - (1) developing an incentive that refunds property taxes paid by the company on a significant capital investment, or (2) developing a wage based incentive for projects that are not capital

intensive.

4) Can qualifying companies be both for profit and nonprofit? Can a third party hiring organization be eligible for incentives and what incentives are they eligible for?

Nonprofits could qualify to the extent that they were meeting the requirements of a jobs-based program under the Business Expansion Program. A higher incentive for hiring through a city approved third party is incorporated under Category 2: Opportunities for Employment. Staff will be working with stakeholders through the administrative development of the program to identify processes and methods for best accomplishing the goals articulated in program- creating a job for and individual facing hardships with employment, and retaining that individual and increasing wages over a five year term.

5) Regarding the repeal of resolution 20130822-016 which affects music venues, please explain what will be developed in place of what is being repealed and provide the anticipated timeline.

The Music and Entertainment Division is currently updating the Music Venue Loan Program in partnership with the Music Commission and aligned with Music Census and Omnibus findings. Once Council direction is provided for the 380 Policy, staff will reconvene a number of stakeholders to review information and will see to provide an update to Council in the first quarter of FY18-19.

QUESTION:

For the “Loan Program Types”; will the city council be the authority to approve/deny the funding for loans under the new 380 policy?

Please provide detailed information about the criteria for a company to receive a “Forgivable Loans.”

Why is the city providing forgivable loans?

Please explain the program criteria that must be met in order for loans to be forgiven.

COUNCIL MEMBER TROXCLAIR’S OFFICE

ANSWER:

1) For the “Loan Program Types”; will the city council be the authority to approve/deny the funding for loans under the new 380 policy?

Yes. The City Council will be the authority to approve. The creation of any future loan programs through Chapter 380 must be detailed and presented to Council for approval of staff administration. As described in the Chapter 380 Policy, Council will approve loans that exceed City Manager Spending Authority.

2) Please provide detailed information about the criteria for a company to receive a “Forgivable Loans.”

The City of Austin is not creating a loan program at this time. Although the proposed Chapter 380 Policy framework allows for future loan programs to be created (Page 15 of the Policy document) and approved by Council, staff has not presented a program for adoption by Council. The creation of any future loan programs through Chapter 380 will be detailed and presented to Council for approval prior to administration of any future loan program.

3) Why is the city providing forgivable loans?

See above.

4) Please explain the program criteria that must be met in order for loans to be forgiven.

See above.

KEY:
Recommendation to Repeal Resolution
No Action Recommended
Recommendation to Repeal Ordinance

Economic Development Policy Related Resolutions & Ordinances

(Listed in chronological order by date)

	Type	Number	Link	Summary
1	Resolution	20030612-015	http://www.austintexas.gov/edims/document.cfm?id=84385	Establishes Economic Development policy and program
2	Resolution	20041028-003	http://www.austintexas.gov/edims/document.cfm?id=85636	Approve Firm-based Incentive Matrix
3	Resolution	20050113-052	http://www.austintexas.gov/edims/document.cfm?id=78447	Amends 20030612-015 regarding water quality
4	Resolution	20071018-037	http://www.austintexas.gov/edims/document.cfm?id=109544	Approve a resolution requiring compliance with the standards and principles of the City's Minority Owned and Women Owned Business Enterprise Procurement Program in third party agreements for the construction of public improvements or improvements to City real property, including developer participation contracts, economic development agreements, ground leases, and other third party agreements.
5	Resolution	20071108-127	http://www.austintexas.gov/edims/document.cfm?id=110463	Approve a resolution requiring compliance of eligible third party agreements with standards and principles of City's M/WBE Ordinance (including contract terms, goals, requiring contractors and consultants comply or demonstrate good faith efforts, engage outreach program, includes early negotiation, periodic reporting.
6	Resolution	20071018-008	http://www.austintexas.gov/edims/document.cfm?id=109540	Amend 20070809-060 to correct name Otis Spunkmeyer for an enterprise zone project to the state & designate City liaison.
7	Resolution	20071206-049	http://www.austintexas.gov/edims/document.cfm?id=111542	Compliance review of future ED agreements to be verified by independent third party and results of that review are to be available for public inspection
8	Resolution	20080605-047	http://www.austintexas.gov/edims/document.cfm?id=117688	Prevailing wage for public-private projects in which City of Austin participates to redevelop public or formerly public land
9	Resolution	20090212-007	http://www.austintexas.gov/edims/document.cfm?id=126104	Approve an ordinance amending Ordinance No 20070215-003 relating to the Business Retention and Enhancement Program, an economic development program for Congress Avenue and East 6th Street, to extend the program, and to amend the program guidelines.
10	Resolution	20090226-022	http://www.austintexas.gov/edims/document.cfm?id=126252	Directs CM to prepare ordinance for enhanced review of economic development proposals and process timeline
11	Ordinance	20090312-005	http://www.austintexas.gov/edims/document.cfm?id=126630	Removes option to use economic development incentives for mixed use projects including retail components; adds requirement for independent reviews which are to be made public
12	Resolution	20090806-037	http://www.austintexas.gov/edims/document.cfm?id=129708	Approve a resolution directing the city manager to review and amend contracting policies, economic development programs, and review personnel policies related to non-discrimination for lesbian, gay, bisexual or transgender individuals.
13	Ordinance	20091001-011	http://www.austintexas.gov/edims/document.cfm?id=131059	Implements formal cost-benefit analysis of economic incentive proposals and specifies process timeline
14	Resolution	20100204-003	http://www.austintexas.gov/edims/document.cfm?id=134394	Approve a resolution authorizing the City Manager to establish and administer a residential solar rebate program and a performance-based solar incentive program for commercial and multi-family facilities. Recommended by the Resource Management Commission the Electric Utility Commission.
15	Resolution	20100311-036	http://www.austintexas.gov/edims/document.cfm?id=134834	Approve a resolution directing the City Manager to obtain additional information regarding the expected annual average wage for the lowest paid 10 percent of local workers from companies negotiating firm-based economic development proposals with the City
16	Ordinance	20101104-046	http://www.austintexas.gov/edims/document.cfm?id=145155	Conduct a public hearing and consider an ordinance amending Ordinance No. 20071018-008 to recognize other local incentives and economic development tools available to qualifying enterprise zone projects.
17	Resolution	20101118-058	http://www.austintexas.gov/edims/document.cfm?id=145539	Approve a resolution directing the City Manager to obtain additional information about the intent to locate near transit developments and transportation hubs from companies negotiating economic development proposals with the City
18	Resolution	20120112-058	http://www.austintexas.gov/edims/document.cfm?id=163011	Repeals and replaces Resolution No. 20071108-127 requiring compliance with the standards and principles of the City's Minority-Owned and Women-Owned Business Enterprise Procurement Program in third party agreements for the construction of public improvements or improvements of City real property, including developer participation agreements, economic development agreements, ground leases, and other third party agreements.
19	Resolution	20120524-092	http://www.austintexas.gov/edims/document.cfm?id=170793	Approve a resolution creating a Council Special Committee on Economic Incentives to hold public meetings and investigate possible uniform contract terms for economic development proposals, such as Chapter 380 agreements, master development agreements, city contracts, and development fee waivers.
20	Resolution	20120607-040	http://www.austintexas.gov/edims/document.cfm?id=171359	Approve a resolution amending Resolution No. 20120524-092 to establish membership of the Council Special Committee on Economic Incentives and provide additional policy direction.
21	Resolution	20130822-016	http://www.austintexas.gov/edims/document.cfm?id=195431	Approve a resolution creating a permanent Music Venue Assistance Program, which is a microloan program designed to assist qualifying music venues with implementation of sound mitigation devices and technologies for improving the acoustic environment inside and outside of the venue in an effort to reduce the sound levels that impact nearby residents.
22	Resolution	20131024-056	http://www.austintexas.gov/edims/document.cfm?id=200017	Approve a resolution to revise the Firm Based Incentive Matrix used to determine firm eligibility for economic development incentives as authorized by Chapter 380 of the Texas Local Government.
23	Ordinance	20140515-008	http://www.austintexas.gov/edims/document.cfm?id=210410	Approve an ordinance creating an economic development program for film, television and digital media projects as authorized by Chapter 380 of the Texas Local Government Code.
24	Resolution	20141211-221	http://www.austintexas.gov/edims/document.cfm?id=223736	Approve a resolution establishing City policy relating to property tax protests and property tax incentives and directing the City Manager to work with Travis County on property tax issues.
25	Resolution	20170302-034	http://www.austintexas.gov/edims/document.cfm?id=272895	Approve a resolution directing the City Manager to develop recommendations for reforming the City's economic development incentives policies.



Recommendation for Action

File #: 18-2896, Agenda Item #: 14

8/9/2018

Agenda Item

Agenda Item #14: Approve an ordinance establishing a Business Expansion Program pursuant to Texas Local Government Code Chapter 380

QUESTION:

1. Please explain staff's interpretation of the wage portion within "Minimum Requirements for Business Expansion Program Portfolio Expansion" on Page 6 of the Business Expansion Program Guidelines document:
"The project will ensure all employees are paid no less than the City's living wage and as it may be adjusted annually, including full-time employees and contract employees, and if applicable to a project with capital expenditures in the form of construction, construction workers hired for construction work will be paid at least the City's living wage."

Does staff consider "all employees" to include part-time employees? If not, is there a reason why contract employees are included and not part-time employees?

2. Is there a distinction between the median occupational hourly wage for the Austin MSA referenced on Page 7 under general eligibility requirements and the prevailing wage as referenced within the minimum eligibility requirements on Page 6 of the Business Expansion Program Guidelines document?
3. Council recently passed Resolution No. 20180628-061, which directed the City Manager to consider and develop a proposal that would require construction contractors to ensure that a minimum percentage of construction workers on City projects with significant budgets are graduates or current students of the Department of Labor's registered apprenticeship programs or the Department of Labor's certified bilingual training programs.

Under Category 2 of the Business Expansion Program Guidelines, (Page 13) "Positions must be either "full-time" (defined as at least 1,500 hours per year), "apprenticeships" (position that is a combination of on-the-job training and related instruction from a supervisor in anticipation and preparation for a permanent job in the applicable company), or "internships" (positions of no more than two years that typically are made available to students)."

Did staff consider requiring that the apprenticeships be registered with the Department of Labor?

4. Under the five-year program reassessment (Page 23-24 Business Expansion Program Guidelines document), is it staff's intention to bring forth any changes to the program for Council approval?
5. Resolution 20050113-52 added an amendment to Resolution No. 030612-15 to read:
 1. Subparagraph 2.i "Applicants will be ineligible for incentives if they are not complying with City of Austin current water quality regulations on all current projects, unless the applicant has negotiated or negotiates an agreement with the City in which it complies with current impervious cover limits overall and agrees to

build with current water quality controls and waive any claim to grandfathering to prior water quality regulations."

On Page 5 of the Business Expansion Program Guidelines under the "Minimum Requirements for Business Expansion Program Portfolio Expansion" section, the general eligibility criteria as it relates to current water quality regulations doesn't contain information about waiving any claim to grandfathering prior to water quality regulations. Is it staff's intention to exclude this provision from the proposed policies?

MAYOR PRO TEM KATHIE TOVO'S OFFICE

ANSWER:

1) Please explain staff's interpretation of the wage portion within "Minimum Requirements for Business Expansion Program Portfolio Expansion" on Page 6 of the Business Expansion Program Guidelines document:

"The project will ensure all employees are paid no less than the City's living wage and as it may be adjusted annually, including full-time employees and contract employees, and if applicable to a project with capital expenditures in the form of construction, construction workers hired for construction work will be paid at least the City's living wage."

Does staff consider "all employees" to include part-time employees? If not, is there a reason why contract employees are included and not part-time employees?

The interpretation of "all employees" is assumed to include part-time employees.

2) Is there a distinction between the median occupational hourly wage for the Austin MSA referenced on Page 7 under general eligibility requirements and the prevailing wage as referenced within the minimum eligibility requirements on Page 6 of the Business Expansion Program Guidelines document?

Yes, the distinction is that Page 6 refers only to construction jobs related to the project and Page 7 refers to full-time employees of the company.

The language on Page 6 refers projects with capital expenditures in the form of construction, then all construction work on the project must comply with the City's established prevailing wage program that is used on City of Austin public works projects.

The language on Page 7 refers to hiring full-time positions (defined as working at least 1,500 hours annually) will be paid at a rate above the median hourly wage for the relevant occupation(s) as identified by the most recent Occupational Employment Statistics survey from the Bureau of Labor Statistics for the Austin-Round Rock MSA.

3) Council recently passed Resolution No. 20180628-061, which directed the City Manager to consider and develop a proposal that would require construction contractors to ensure that a minimum percentage of construction workers on City projects with significant budgets are graduates or current students of the Department of Labor's registered apprenticeship programs or the Department of Labor's certified bilingual training programs.

Under Category 2 of the Business Expansion Program Guidelines, (Page 13) "Positions must be either "full-time" (defined as at least 1,500 hours per year), "apprenticeships" (position that is a combination of on-the-job training and related instruction from a supervisor in anticipation and preparation for a permanent job in the applicable company), or "internships" (positions of no more than two years that typically are made available to students)."

Did staff consider requiring that the apprenticeships be registered with the Department of Labor?

No, the recent resolution seeking to ensure a minimum percentage of construction workers be registered with the Department of Labor's apprenticeship programs or bilingual training programs was not contemplated as a part of the Category 2 Opportunity for Employment requirements. If legislation related to that resolution were adopted, projects with "significant budget" thresholds were clearly defined and 380 agreements incentivized

those types of projects, then it could be potentially included. It is important to note, that Category 2 was not crafted with the intention to capture capital intensive projects, or projects that include the construction of space to accommodate the expansion and/or hiring of new employees. The purpose of the proposed program is to incentivize employers to hire those who are economically disadvantaged to work at their companies, not generate new opportunities for construction jobs for building their expansions. The only available incentive allocation reimbursement is “per-job” based, not “property tax reimbursement-based.”

4) Under the five-year program reassessment (Page 23-24 Business Expansion Program Guidelines document), is it staff's intention to bring forth any changes to the program for Council approval?

Each of the new programs enabled by the proposed Economic Development Policy will be considered, vetted and created with Council approval by way of adopting an Ordinance. It will be at Council's discretion to adopt changes to the program resulting from staff's annual and five-year review.

5) Resolution 20050113-52 added an amendment to Resolution No. 030612-15 to read:

Subparagraph 2.i “Applicants will be ineligible for incentives if they are not complying with City of Austin current water quality regulations on all current projects, unless the applicant has negotiated or negotiates an agreement with the City in which it complies with current impervious cover limits overall and agrees to build with current water quality controls and waive any claim to grandfathering to prior water quality regulations.”

On Page 5 of the Business Expansion Program Guidelines under the “Minimum Requirements for Business Expansion Program Portfolio Expansion” section, the general eligibility criteria as it relates to current water quality regulations doesn't contain information about waiving any claim to grandfathering prior to water quality regulations. Is it staff's intention to exclude this provision from the proposed policies?

No, it is not staff's intention to exclude this provision from the proposed policies. The current language that addresses this issue is included below:

Agreement Language:

For the construction of leasehold improvements to the Company's IT Hub, or the construction or remodeling of any future facilities in the City's planning jurisdiction during the term of this Agreement, the Company will comply with all City Code regulations, including water quality regulations in effect at the time any site plan application is filed, unless the Company has negotiated an agreement with the City to comply with overall impervious cover limits and provide the currently required water quality controls. This means the Company will not assert possible vested rights defined in Chapter 245 of the Texas Local Government Code to avoid compliance with water quality regulations during the term of this Agreement. If, during the term of this Agreement, a development does not comply with water quality regulations in effect at the time any site plan application is filed for such development, the City may terminate this Agreement by giving the Company written notice of its election to terminate.



Recommendation for Action

File #: 18-2778, Agenda Item #: 19.

8/9/2018

Agenda Item

Agenda Item #19: Authorize negotiation and execution of agreements with Precourt Sports Ventures, LLC, or its affiliates, related to the construction, lease, and occupancy of a sports stadium and associated infrastructure and development on a city-owned site located at 10414 McKalla Place, under terms outlined in a term sheet.

COUNCIL MEMBER ALTER'S OFFICE

QUESTION/RESPONSES:

City Council Questions and Answers received by the Economic Development Department and through the Council Agenda Office will also be updated and published to the McKalla Place website www.austintexas.gov/mckalla <<http://www.austintexas.gov/mckalla>>

1. What are the projected direct costs for the city over the first 25 years? At a minimum this calculation should include estimated costs for clean-up, off-site infrastructure, off-site service provision during matches, capital reserve fund contributions, insurance costs, the potential movement of the CapMetro station, and legal representation (in the lead up to the deal and then estimated for advocating for Precourt Sports Ventures (PSV's) tax abatements).

The City has no anticipated direct out-of-pocket expense for the project. The negotiated rent payment takes into account any City responsibilities and risks associated with development and operation of the stadium, as outlined in the term sheet.

-Environmental Remediation: Anticipated: \$0. In 2006, extensive remediation to the site occurred, resulting in environmental clearance to an industrial/commercial land use standard. In June 2017, the Texas Commission on Environmental Quality (TCEQ) issued a final closure letter for unrestricted/residential land use.

-StadiumCo is responsible for any necessary infrastructure (i.e. utility connections, upgrades) required to build the stadium.

- PSV is responsible for on-site (on the 24 acres) costs related to stadium events associated with typical municipal services; they are also responsible for these costs off site for non MLS/professional soccer games. Per the negotiated term sheet, the City shall be responsible for any offsite (off the 24 acres) Municipal Services. Staff anticipates these costs to be associated mostly with pedestrian and traffic control, and will be determined in more detail during the Traffic Impact Analysis and through the development of the Transportation and Parking Plan.

-Capital Reserve Fund. Per the term sheet, StadiumCo will be responsible for all costs associated with the Stadium Project, including maintenance. Of the \$8.25 million in rent received from the team, the City will contribute \$2.375 million from rent payments to the Capital Reserve Fund over the first 20 year term of the lease. The team will contribute \$1.875 million.

-The stadium will be a City of Austin asset. Insurance is estimated to be \$3M over the 20 year term. The City

would follow standard procedure which is to purchase property insurance for all owned and leased facilities. The tenant will cover all operating related insurance.

-Council authorized negotiation and execution of a contract with Greenberg Traurig, LLP for legal services related to the development of a soccer stadium on City-owned land located at 10414 McKalla Place in an amount not to exceed \$200,000. 20180628-117.

2. What is the calculated city subsidy which consists of the market lease value (\$1.9 million per year plus an assumption on the annual increase in rents) as well as the tax revenues (city and all other entities) foregone for a \$200 million stadium over a 25 year period?

The Fair Market Value Appraisal lease is based on a dense, mixed-use development, not a publicly owned soccer stadium and park. All publicly-owned major league sports facilities in Texas are exempt from property tax. The site is currently tax exempt, therefore, there is no subsidy.

3. In two recent contracts we recently agreed to lease property for various city departments. One of these was for our Municipal Court and the other collectively for multiple departments (including Code). For each case, please provide details on how much we are paying annually for each lease, how much square footage we are getting, how many parking spaces come with each lease and how much acreage our lease covers.

Rent on a publicly owned soccer stadium and park is not comparable to an office lease.

4. Please explain what mechanisms the city has to hold PSV accountable for providing the community benefits listed in Exhibit 4. In addition, what legal import do the exhibits shown within the term sheet have? What obligations would PSV have to deliver on those benefits in similar or greater magnitude? In addition, what annual reporting requirements are mandated?

The community benefits will become a condition of the lease. Failure to perform on lease terms will be grounds for termination of the lease, subject to notice to cure. It is anticipated the lease will require annual reporting subject to audit.

5. In the highlighted community benefits in Exhibit 4, \$1.5 million annually is accounted for by PSV's farm team training program, focused on Austin area youth. Please clarify how many different youth are expected to participate during the first 25 years. PSV's team is a professional male soccer team - is this training program limited to and/or primarily focused on young men? Will young women be able to participate at equal levels? Does MLS require each team to set up this kind of training academy?

This information has been provided to PSV.

6. Please explain how many stadium centered events are allowed a year. The terms mention 20 matches and 5 city/public events. Are other large scale events allowed? Please provide any other additional information that would help us understand whether the full stadium events are limited to 25 or if PSV (or the city) can rent out the stadium for other events beyond the 25. If additional events are possible, please clarify who bears the costs of such events.

PSV/StadiumCo has the right to produce as many events as they wish. They anticipate a similar number of non-soccer events as soccer events (17).

7. There is some discussion of conference rooms and other facilities within the stadium that may be rented, but no detail on how often they may be rented or the size of these facilities. Please provide details on other types of events and their sizes.

From PSV: The site will be utilized throughout the year for a variety of ticketed and non-ticketed events. Various areas will be utilized more than others. Green space, open space and performance areas will be open to the general public during non-event days throughout the year. The stadium lounges and meeting spaces will be utilized for meetings, banquets, weddings, conferences, etc. The stadium bowl will be utilized for soccer matches, other sporting events (including professional, collegiate, high school, amateur, etc.), concerts, cultural, community oriented events, etc. In order to make the project feasible and to maximize the economic and fiscal impacts of the project, the stadium agreement will provide maximum flexibility to host events on the site, without a cap.

8. Please provide an estimate of the off-site costs to be born by the city for the 20 matches. Please also specify how much we will have to spend for a single match for these off-site costs.

The team is responsible for on-site (on the 24 acres) costs related to stadium events associated with typical municipal services; they are also responsible for these costs off site for non MLS/professional soccer games. Per the negotiated term sheet, the City shall be responsible for any offsite (off the 24 acres) Municipal Services. The City anticipates these costs to be associated mostly with pedestrian and traffic control, and will be determined in more detail during the Traffic Impact Analysis and through the development of the Transportation and Parking Plan.

9. Please explain how the term sheet addresses concerns for parking in the area.

The parties shall work together to develop a Transportation and Parking Plan (including a traffic impact analysis), for which the City agrees to assist in the coordination of all relevant City, Capital Metro, Travis County and State agencies and stakeholder groups. The plan will be based on the transportation plan developed for PSV's proposal dated June 1, 2018. Resulting from discussions with Capital Metro, the term sheet includes a provision that the site will be transit ready. Parties will work together to explore 3rd party and other financial sources for the construction of a new metro rail station adjacent to site.

10. If there are only 1000 parking spots and if parking is spread throughout neighboring areas who is responsible for directing traffic, PSV or the city?

StadiumCo is responsible for all costs related to municipal services in the Stadium and on the Site in all cases. They are also responsible for those costs off-Site in relation to non-soccer-game events. The City, therefore, is responsible only for off-Site municipal services related to professional soccer games. The estimated cost is \$150,000 annually.

11. What does it mean to say "reasonably approved by the city" when discussing ancillary development on the site?

Standard legal term meaning any ancillary development will need to meet current regulations and be deemed compatible with other development on site. In addition, the City would follow practices established in previous redevelopment of multi-use developments.

12. Please specify what off-site infrastructure the city would be obligated to provide and fund, including estimated costs.

StadiumCo is responsible for any necessary infrastructure (i.e. utility connections, upgrades) required to build the stadium.

13. When could we reasonably expect a ruling by TCAD or another governmental entity on the tax status of the arrangement? If that process takes time and the ultimate ruling is that the stadium is not exempt, according to the terms will the city be reimbursed for any costs incurred in the interim?

All publicly-owned major league sports facilities in Texas are exempt from property tax. If TCAD determines that the structure of this deal is not tax exempt, PSV/StadiumCo is responsible for tax payments.

14. Please explain what it means for StadiumCo to not pay sales and use taxes on construction that falls under the category of tangible personal property. How much revenue are the city and other entities foregoing from that?

Under State Law, construction materials used for Public Works Projects are sales tax exempt. Assuming \$150 million hard costs for the stadium, the sales tax exemption is worth \$12,375,000.

15. Please provide details on what StadiumCo would have to pay in taxes to all relevant local tax levying governmental units on a \$200 million stadium in the absence of a tax exemption.

Under State Law, all publicly owned professional sports facilities are exempt from property tax. If it was determined that the stadium was not tax exempt, Stadium Co would be liable for all tax payments. Assuming a \$200 million assessed value for the stadium, property taxes would be the following at current tax rates:

Estimated Assessed Value	Total Tax Rate (all jurisdictions)	Total Annual Property Tax	City Tax Rate	City Annual Property Tax
\$200,000,000	.02213985	\$4,427,970	.00444800	\$889,600

16. What physically falls under the "stadium" in terms of the site? For instance, is the park to be developed by PSV or by the city?

The entire site is to be developed and operated by PSV/StadiumCo at their expense.

17. How much total is the city expected to contribute to the capital reserve fund over 25 years? How much is PSV/StadiumCo expected to contribute to the capital reserve fund over 25 years?

Per the term sheet, StadiumCo will be responsible for all costs associated with the Stadium Project, including maintenance. Of the \$8.25 million in rent received from the team, the City will contribute \$2.375 m from rent payments to the Capital Reserve Fund over the first 20 year term of the lease. The team will contribute \$1.875 m. The stadium will be a City of Austin asset.

18. Please explain the respective roles of the term sheet and the stadium agreements in this process. In addition, please clarify whether the council will have an opportunity to approve the stadium agreements. The term sheet indicates MLS has the right to review the stadium agreement but appears silent on the council role.

Council Item 20180809-19 is posted for: Authorize negotiation and execution of agreements with Precourt

Sports Ventures, LLC, or its affiliates, related to the construction, lease, and occupancy of a sports stadium and associated infrastructure and development on a city-owned site located at 10414 McKalla Place, under terms outlined in a term sheet.

19. The term sheet seems silent on the number, type, and salary levels of jobs to be created. Why is that? All of our other incentive programs seem predicated on jobs delivered. What number, type, and salary level of job do we expect to be created and/or is PSV/StadiumCo obligated to deliver?

The McKalla Place Stadium project (20180809-19) is not an incentive program. Please see PSV's June 1, 2018 proposal for estimated employment impacts.

20. Please explain whether and to what extent PSV is obligated to located its practice fields or its offices in Austin. Also, please explain what commitments the city is being asked to make with respect to the practice fields.

PSV is exploring options for practice facilities and headquarters, but is currently focused on the McKalla Place Stadium agreement. The preference is to have the practice facilities and headquarters co-located within City of Austin limits, but may be located in the Austin Metro area outside of city limits if a suitable location cannot be found in City limits..

MAYOR PRO TEM TOVO'S OFFICE

QUESTIONS/RESPONSES:

1) Please provide an estimated range for remediation costs (were additional remediation measures determined to be necessary and understanding that costs would be determined by the actual situation). [page 2/25]

Environmental Remediation: Anticipated: \$0. In 2006, extensive remediation to the site occurred, resulting in environmental clearance to an industrial/commercial land use standard. In June 2017, the Texas Commission on Environmental Quality (TCEQ) issued a final closure letter for unrestricted/residential land use. Risk Level: Low.

2) Please provide details about the 8 acres of "green space, open space and performance areas" accessible to the public. Will the green space and open space include walking/biking trails? Will it include other amenities, and if so, what? When will the space be available? Are the "performance spaces" described here outdoor spaces? Please confirm no charges would be assessed to the public for the use of these spaces.

From PSV: The 8 acres of green space, open space and performance areas will include 3/4 of mile of trails and 1 ¾ miles of sidewalks. Other amenities could include food, beverage, and retail opportunities, but none of this is specifically known right now. The site will be accessible to the general public year-round during non-event times when the stadium project is completed, which is now expected to be April 2021. There is one area specifically designed performance space for concerts and other events, which could host events ranging from 30-3,000 attendees. There will also be open parking lots which could host music and cultural festivals. Green space and open space areas will be accessible at no charge during non-event times. Some outdoor shows in the performance area might be free to the public, while others could charge admission.

3) Likewise, another bullet refers to a portion of the site being "accessible by the public for the enjoyment, health, comfort, welfare, and leisure activities, and special events." [3/25] Is this space in addition to what is described in the bullet on page 2? If so, please characterize this space and describe how and when it will be accessible to the public.

From PSV: This is the same 8 acres. We envision a variety of scheduled events, recreational activities, and

spontaneous park usage during daylight hours. Please see the two attached pages for illustration.

4) Does StadiumCo or another entity plan to program or to collaborate with another entity to program any of the open space for free public events?

From PSV: That is quite possible, but those operational decisions are not yet known. PSV would attempt to maximize community enjoyment, economic impact and revenue generation.

5) Please provide a range for estimated monitoring costs for design and construction. [4/25]

This function is anticipated to be performed by existing permanent City of Austin staff as part of regular duties.

6) Do the terms have StadiumCo paying for the costs of monitoring associated with the Better Builder program?

StadiumCo Lease and Development Agreement will have provisions for monthly reporting from StadiumCo regarding its progress with the Better Builder program, MWBE, etc.

7) Provide details about invitations to youth soccer groups to visit the site. [7/25]

From PSV: Although operational specifics are not yet known, possible concepts could range from pre-scheduled stadium tours to free skills clinics hosted on the stadium pitch to complimentary tickets to matches to player visits. The opportunities are almost unlimited.

8) Has StadiumCo approached Pickle Elementary and other nearby schools or the school district(s) to discuss planned or proposed collaborations?

From PSV: PSV has reached out to local schools/districts to discuss potential collaborations for parking and shuttle service. PSV intends to reach out regarding additional collaborations once they develop their operational plan should the project be approved. Once the team is here it could include school visits by players and coaches, training, etc.

9) The 5th bullet on page 8/25 spells out the disposition of any surpluses. Please explain the line: “. . . if such cost exceeds \$190 million, then PSV may determine how to otherwise apply such surplus.” If the costs were in excess of \$190 million, what would be the circumstances under which there would be a surplus? [8/25]

The stadium budget is \$200 million, including a \$10 million contingency. This provision is intended to not allow PSV to value engineer below \$190 million.

10) Describe scenarios under which the City would become responsible for increased costs. The language suggests that these could be costs associated with safety, zoning, and city approval processes. [8/25]

The only increased costs the City would be liable for would be costs associated with discriminatory regulations targeted specifically at the stadium project or discretionary changes the City requests after the plan has been finalized.

11) Provide information about how insurance is handled in other leases of city sites or facilities. [11/25]

Liability Exposures and Workers Compensation (slips/trips/3rd party bodily injury or property damage): The tenants shall maintain automobile and general liability insurance naming the City as additional insured for the lease of the city-owned facility and all of their events. The City requires tenants to maintain workers' compensation coverage. If the City is using the facility for a civic event and COA employees are working on-site the City will be liable for workers' compensation costs for injury to City employees. The City is self-insured for liability and workers' compensation.

Property Insurance: The City purchases property insurance for all owned and leased facilities. The City would add this location to our existing property insurance policy upon City ownership of the facility. The estimated cost of the property insurance is estimated to be \$3,091,440 over the next 20 years.

12) Do the proposed terms suggest that the city would bear the costs of traffic management, public safety, and other costs associated with the games? [13/25]

The City would only be responsible for game day off-site costs. The estimated cost is \$150,000 annually.

13) Please provide information about other revenue-sharing arrangements on city-owned land. [11/25]

Information is being researched by staff in order to provide City of Austin examples.

14) Which entity will pay for signage? [13/25]

This item in the term sheet references directional signage which is standard road signage to direct patrons to the stadium and parking areas. Many jurisdictions, such as the City of Austin have in-house capability to produce these signs. It is standard practice to provide such signs for high visit attractions. The directional signage costs and the payment of such costs will be addressed in the directional signage plan. Annual costs for TxDOT signs are low, at less than \$2,000 per sign.

15) Please explain rationale for having the city assume a higher payment to the Capital Repairs Reserve Fund in years 6 and 7.

The rent payment was negotiated specifically to ensure funds would be made available for a Capital Repairs Reserve Fund. The city contribution from rent leverages additional funds from PSV. The city's share of the Capital Repairs Reserve Fund comes from rent payments (no net new cost to city). Since no rent is paid in years 1-5, years 6 & 7 are catch-up payments.

16) Is the expectation that the discussions regarding the training complex would be concluded prior to the Stadium Agreements? [17/25]

The parties intend to enter into discussions on the training complex prior to the execution of the stadium agreements. If the training complex involves additional city land, a separate agreement would be brought forward for Council approval.

17) When would the agreement with regard to the community benefits be drafted? [17/25]

The term sheet has been updated to incorporate the community benefits requirement into the Stadium Lease

and Development Agreement.

18) Exhibit 3 is titled "Approved Architects and Contractors." Are these city-approved architects/contractors? [23/25]

Yes. The list of pre-approved architects and contractors was provided by PSV.

19) What will the ticket price range be, and will StadiumCo offer discount tickets to youth soccer players and students from area colleges and universities?

From PSV: Pricing will be determined, but will be comparable to other MLS clubs and will include a broad range of prices to meet the demand of fans. There will be group ticket promotions for many area groups - high school, college, soccer clubs, etc.

20) Please indicate how many accessible parking spaces will be available.

International Building Code requires 20 accessible parking spaces per 1000 parking spaces.

21) Please describe where employees will park.

From PSV: The employee parking plan for temporary staff on match days will be developed and will likely include a combination of on-site and off-site parking and shuttle service.

22) Please identify the expected pedestrian routes to and from the stadium and describe the plan for minimizing potential conflict between vehicular and pedestrian traffic upon entrance/exit from the stadium.

From PSV: PSV will work cooperatively with the City and other agencies to develop a Transportation and Parking Plan that will address vehicular, pedestrian, bicycle, etc. routes and coordination.

23) How many non-soccer events does Stadium Co. intend to hold on an annual basis? Will that expected figure be codified or capped in the stadium agreement?

From PSV: The site will be utilized throughout the year for a variety of ticketed and non-ticketed events. Various areas will be utilized more than others. Green space, open space and performance areas will be open to the general public during non-event days throughout the year. The stadium lounges and meeting spaces will be utilized for meetings, banquets, weddings, conferences, etc. The stadium bowl will be utilized for soccer matches, other sporting events (including professional, collegiate, high school, amateur, etc.), concerts, cultural, community oriented events, etc. In order to make the project feasible and to maximize the economic and fiscal impacts of the project, the stadium agreement will provide maximum flexibility to host events on the site, without a cap.

24) #2 Charitable Contributions: How will the organizations be identified who would benefit from this contribution of \$100,000 and who would identify them?

From PSV: The club and its charitable foundation will set up a mission and guidelines for charitable giving. All decisions will fall within that mission. The foundation and the club's community relations department will establish much of this when MLS comes to Austin. It is believed that soccer-related and health and wellness

causes could be supported.

25) #5 Youth Soccer Clinics: How many young people can participate in each soccer clinic? How will participants be selected? Where will the clinics be held? What ages are targeted for these clinics?

From PSV: All of this will be established once the team is operating in Austin. All clinics will be run by soccer experts - trained coaches and players. The club is likely to cooperate with local youth clubs and rec departments to determine many of these factors. These programs will be available for girls and boys and all neighborhoods of Austin.

26) #6 Youth Soccer Camps: How many young people can participate in each soccer camp? How will participants be selected? Where will the camps be held? What ages are targeted for these clinics?

From PSV: All of this will be established once the team is operating in Austin. All camps will be run by soccer experts - trained coaches and players. The club is likely to cooperate with local youth clubs and rec departments to determine many of these factors. These programs will be available for girls and boys and all neighborhoods of Austin.

27) #7 Youth Club Scholarships: What criteria will be used to identify young people for these scholarships?

From PSV: It is believed that interest in soccer and financial need will be two key criteria.

28) #11 Soccer Field and Futsal Court Construction: Who will make decisions about where investments will be made into new or upgraded soccer fields? What criteria will be used to make these decisions?

From PSV: All of this will be established once the team is operating in Austin. The club is likely to cooperate with local youth clubs and rec departments to determine where it would be best to build or refurbish these fields and futsal courts. This infrastructure is intended to make them most widely available for girls and boys and all neighborhoods of Austin.

COUNCIL MEMBER HOUSTON'S OFFICE

QUESTIONS/RESPONSES:

1) Is the Special Events Trust Fund a potential source of funding for the development of a proposed Major League Soccer Stadium on the McKalla Place City-owned land?

The State of Texas Events Trust Fund is not an eligible source of funds for the construction of a Major League Sports stadium or a source of funding for ongoing operations. The requirement that the event cannot be held more than one time per year disqualifies the use of funds for a pro soccer franchise, given that Precourt Sports Ventures has specified that an MLS team will be hosting approximately 17 games at the stadium each year. Major league soccer game regular season games are also not specifically named as events in statute Article 5190.14, Section 5A. Therefore, this activity is not eligible for funding for the Major Events Reimbursement Program. The State of Texas Events Trust Fund may be available on a limited basis for one-time, unique high economic impact events.

For more information, see:

[<https://gov.texas.gov/uploads/files/business/Events_Trust_Fund_Guidelines_3.20.18.pdf>](https://gov.texas.gov/uploads/files/business/Events_Trust_Fund_Guidelines_3.20.18.pdf)

2) If for some reason the City or StadiumCo terminated the lease, what would the City do with a soccer stadium to generate revenue?

In the case of a terminated lease, the City could: seek an alternative tenant (other team / league); lease it to another provider of outdoor entertainment (such as music production company); sell the stadium to another entity (such as a school district or university), or demolish the stadium for redevelopment.

COUNCIL MEMBER POOL'S OFFICE

QUESTIONS/RESPONSES:

1) Please clarify who is responsible for Stadium, site, and off-site municipal service expenses.

StadiumCo is responsible for all costs related to municipal services in the Stadium and on the Site in all cases. They are also responsible for those costs off-Site in relation to non-soccer-game events. The City, therefore, is responsible only for off-Site municipal services related to professional soccer games. The estimated cost is \$150,000 annually.

2) The City and Council will require extensive financial and other information as part of the decision-making process - would either or both entities be good and faithful partners for the City of Austin and its residents to entrust significant levels of public assets to them for a considerable period of time? What does such a partnership look like and who benefits and who doesn't, and who stands to have to clean things up financially if they go awry?

As part of the fact-finding that's essential for the public to achieve a level of comfort with this possible relationship, please have PSV and MLS, as appropriate, send us the following lists and information, to start:

- 1. A list of key executives and their functions and resumes*
- 2. A list of key contacts who will be negotiating with the city, along with their relationship to PSV & with Greenberg-Taurig*
- 3. A list of PSV's and MLS's board of directors and/or advisory board - i.e., the people who make the decisions*
- 4. three trade references, and*
- 5. A copy of 2017 audited financial statements (Income Statement & Balance Sheet)*
 - A copy of the last 3 years of corporate tax returns*
 - A 5-year (GAAP format) proforma on Austin MLS Team operations to include details on stadium revenue and costs, with concert and event revenue specifically separated from soccer revenue, and*
 - A personal financial statement for any owner with 10% interest or greater in the team.*

Please arrange an opportunity for me to review the PSV/MLS proforma financials.

These questions and requests for information have been submitted to Precourt Sports Ventures (PSV). A

representative from PSV will be present at the August 9 City Council Meeting.

COUNCIL MEMBER GARZA'S OFFICE

QUESTIONS/RESPONSES:

1) What is the minimum parking requirement for the stadium?

A stadium is classified as an outdoor entertainment use in the land development code. The minimum parking requirement for Outdoor Entertainment is Schedule B (Director Determination). [Austin Land Development Code 25-6 Appendix A - Tables of Off-Street Parking and Loading Requirements] The Transportation and Parking Plan required in the term sheet would provide the Director the information needed to make the determination.

COUNCIL MEMBER KITCHEN'S OFFICE

QUESTIONS/RESPONSES:

1) Please provide a summary of all city costs and revenues contained in the term sheet.

See attached.

MLS Stadium at McKalla Place

Cost Allocation: Capital Costs

Capital Costs	
Total: \$200 Million	
<u>PSV</u>	<u>City of Austin</u>
\$200 Million	\$0
Arhcitectural/Design	
Site Preperation	
On Site Utility Connections	Site Remediation *
Off-site Utility Connections	
Permit & Development Fees	
Stadium Construction	
Public Green/Open Space	
Public Performrance Area	
Trails / Sidewalks	
Parking	
	<p>* City estimate for remediation is \$0. In 2006, extensive remediation to the site occurred, resulting in environmental clearance to an industrial/commercial land use standard. In June 2017, the Texas Commission on Environmental Quality (TCEQ) issued a final closure letter for unrestricted/residential land use</p> <p>Risk Level: Low.</p>

SITE PLAN CIRCULATION

IT'S ABOUT MAKING CONNECTIONS

- 3,600 ft (0.7 miles) of trails
- 9,000 ft (1.7 miles) of new sidewalk
- 4 vehicular access points
- 1 potential rail station access point



Vehicular & Pedestrian
Access Points

Secondary trails &
sidewalks

Rail Station Access Point
(Optional)

PRIMARY PEDESTRIAN CIRCULATION

SITE PLAN VEGETATION & GREEN INFRASTRUCTURE

ADDING PARK SPACE

- 425 new trees, shrubs and plants
- 4+ ac of vegetated space
- Drought tolerant plants contributing to 50% reduction in water needs
- 1.6 ac of habitat creation
- 2.0 ac pervious paving



MLS Stadium at McKalla Place

Cost Allocation: Estimated Annual Revenue & Expenditures

- Stadium Co is responsible for:
- * Rent payment to City of Austin
 - * All Operating and Mainteance Costs inside stadium, including:
 - * All Operating and Mainteance Costs outside stadium, on the 24 acres
 - * Captial upgrades to stadium ("Cap Ex")
 - * Matching funds for stadium CapEx

- City of Austin is responsible for:
- * Use portion of rent payment received from Stadiim Co for CapEx contribution
 - * Property Insurance
 - * Offsite (outside the 24 acres) municipal services for Soccer events only

City of Austin																				
Revenue/Expenditure																				
	YR1	YR2	YR3	YR4	YR5	YR6	YR7	YR8	YR9	YR10	YR11	YR12	YR13	YR14	YR15	YR16	YR17	YR18	YR19	YR20
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
<u>Revenue (1)</u>																				
Base Rent	0	0	0	0	0	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000	550,000
Sales Tax / Mixed Bevarage (2)	406,895	418,550	432,153	446,198	460,700	475,673	491,132	507,094	523,574	540,590	558,160	576,300	595,030	614,368	634,335	654,951	676,237	698,214	720,906	744,336
Hotel Occupancy Tax	322,426	332,905	343,725	354,896	366,430	378,339	390,635	403,330	416,439	429,973	443,947	458,375	473,272	488,654	504,535	520,932	537,863	555,343	573,392	592,027
Total Revenue	729,322	751,456	775,878	801,094	827,130	1,404,011	1,431,767	1,460,424	1,490,013	1,520,563	1,552,107	1,584,675	1,618,302	1,653,022	1,688,870	1,725,883	1,764,099	1,803,558	1,844,298	1,886,363
<u>Expenses</u>																				
Contribution of Rent to CapEx (3)	0	0	0	0	0	437,500	437,500	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
Property Insurance	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Offsite Municpal Services (4)	150,000	153,000	156,060	159,181	162,365	165,612	168,924	172,303	175,749	179,264	182,849	186,506	190,236	194,041	197,922	201,880	205,918	210,036	214,237	218,522
Total Expenses	300,000	303,000	306,060	309,181	312,365	753,112	756,424	447,303	450,749	454,264	457,849	461,506	465,236	469,041	472,922	476,880	480,918	485,036	489,237	493,522
Net Annual Surplus/ (Deficit)	429,322	448,456	469,818	491,913	514,765	650,899	675,342	1,013,121	1,039,264	1,066,299	1,094,257	1,123,169	1,153,066	1,183,981	1,215,948	1,249,003	1,283,182	1,318,521	1,355,061	1,392,841
Cummulative Surplus / (Deficit)	429,322	877,777	1,347,595	1,839,508	2,354,273	3,005,172	3,680,514	4,693,635	5,732,899	6,799,199	7,893,456	9,016,625	10,169,691	11,353,671	12,569,620	13,818,623	15,101,804	16,420,326	17,775,387	19,168,228

(1) Does not include property tax revenue from Ancialliary Development

(2) Capital Metro Trasnportation Authority (Cap Metro) will realize \$9.6 million in additional sales tax over the 20 year term

(3) City will contribute a portion of each annual rent payment from StadiumCo to a CapitalExpenditures Fund ("CapEx"); City funds not used for this contribution

(4) Based on approximately 20 soccer events per year; escalated at 2% per year



Recommendation for Action

File #: 18-2796, Agenda Item #: 20.

8/9/2018

Agenda Item

Agenda Item #20: Authorize negotiation and execution of an interlocal agreement with Travis County to integrate management of hazardous material containment, especially responding to Hazardous Materials incidents, by sharing personnel, equipment, technology and data, for an initial term of one year with up to five additional one-year terms.

QUESTION: How does the process of Hazardous Materials containment work in Williamson County?
COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

Williamson County has a Hazardous Materials Team that consists of resources from several participating Williamson County Fire Departments (Round Rock, Georgetown, Cedar Park, Hutto, Taylor and Leander). The Williamson County Hazardous Materials Team program, and incident response, is supported and managed through the Williamson County Fire Marshall's Office.

There are three regional Hazardous Materials Teams in the ten county Capital Area Council of Governments region:

Austin Fire Department - which responds to all HazMat incidents in the city limits of Austin and (by contract) Travis County and provides regional mutual aid to Lee, Blanco and the northern half of Bastrop counties

Williamson County - which responds to all HazMat incidents in Williamson County (excluding those within the city limits of Austin inside Williamson County) and provides regional mutual aid to Llano and Burnet counties

Hays County - which responds to all HazMat incidents in Hays County (excluding those within the city limits of Austin inside Hays County) and provides regional mutual aid to Fayette, Caldwell and the southern half of Bastrop counties.



Recommendation for Action

File #: 18-2881, Agenda Item #: 25.

8/9/2018

Agenda Item

Agenda Item #25: Approve a resolution declaring the City of Austin's official intent to reimburse itself from proceeds of certificates of obligation in the amount of \$6,000,000 to be issued for the funding of transportation safety and mobility projects that were previously planned to be funded through payments from Capital Metropolitan Transportation Authority.

QUESTION: 1) How will this impact the City's bonding capacity? How will this impact our capacity to issue Certs of Obligation in case of a true emergency or urgent need? 2) What is the projected timeline that these projects will be funded by issuance of bonds? 3) Whereas clauses #4 and #5 seem contradicting, could you please explain in detail the intent/desire of the issuer regarding each one?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

- 1) There will be no impact on the City's bonding capacity, nor will there be an impact on the City's capacity to issue Certificates of Obligation in case of an emergency or urgent need.
- 2) When the Council approves new projects and they've been added to the Project List, start and end dates are determined based upon existing workloads. We have been prioritizing Quarter Cent projects with a goal of completing the program by spring 2020. Securing the Certificates of Obligation via this action ensures that no delays will occur due to lack of a funding source.
- 3) As described in the Request for Council Action, the City's intent is to use sources of funding other than Certificates of Obligation first, only relying on issuing Certificates of Obligation if other funding sources cannot be identified. This action secures the option of using Certificates of Obligation, so that no delays in project advancement are caused if other funding cannot be identified. Clauses 4 and 5 together indicate our intent to issue tax exempt debt, but that we may expend other funding sources on hand to get started on the projects.



Recommendation for Action

File #: 18-2871, Agenda Item #: 28.

8/9/2018

Agenda Item

Agenda Item #28: Authorize the negotiation and execution of a 60-month lease agreement, with two one-year extension options, for approximately 11,839 square feet of hangar space and 2,542 square feet of office space for the Austin Police Department with Austin Executive Airport Services, LLC, a Texas Limited Liability Company, said property being located at 6012 Aviation Drive, in an amount not to exceed \$1,029,804.10 (Austin 2-mile ETJ).

QUESTION: 1) Is this a lease that has an option for the City to own the facility at the end of the period? 2) Do we have a plan to build or buy a facility that meets the need of this space? 3) Is this a type of needed space that the City will always lease space for instead of buying the space? If so, why?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

1) No, there is no option for the City to own the facility at the end of the period.

2) No, at this time there is no plan to build or buy a facility that meets the needs of this space. APD prioritized the construction of an Air Operations Facility in the 2018 Bond Program Needs Assessment, however, the Bond Election Advisory Task Force did not recommended this project for funding and inclusion in the bond package.

This is a 5 year lease with the option to extend for an additional 2 years. Staff continues to strategically pursue acquisition options as they are presented. As the term of the proposed lease draws closer, Staff will research the feasibility of building or purchasing a facility that meets APD's needs.

3) APD identified a need for an Air Operations Facility during the 2018 Bond Program Needs Assessment. After a thorough market search, ORES has determined that there are no secure, stand-alone hangars with office space available for purchase in Austin at this time. In order for the City to own an Air Operations Facility, APD would thus need to construct its own facility on land yet to be acquired. APD and the Aviation Department have discussed a lease of land at ABIA for this purpose. At the time of the discussions, Aviation proposed the land would cost approximately \$60,000 annually to lease (with annual cost escalators), in addition to the \$8.0M construction cost. The Bond Election Advisory Task Force did not recommend this construction project for funding and inclusion in the bond package.

QUESTION: What is the number of staff (sworn and civilian) and sworn dogs to be housed at this location? Is this location operational 24 hours?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

A total of 20 FTEs (all sworn and no civilians) and 10 canines will work out of this facility: 8 Sworn FTEs from the Air Operations Unit, 11 Sworn FTEs from the Patrol K9 Unit, and 1 Lieutenant who oversees both units.

Yes, this location is operational 24/7.



Recommendation for Action

File #: 18-2872, Agenda Item #: 29.

8/9/2018

Agenda Item

Agenda Item #29: Authorize the negotiation and execution of an 87-month lease agreement, with one five-year extension option, for approximately 60,750 square feet of office and warehouse space for the Austin Transportation Department with IND AUSTX CTC, LLC, a Delaware Limited Liability Company, said property being located at 8700 and 8900 Cameron Road, in an amount not to exceed \$7,762,518.90.

QUESTION: 1) Is this a lease that has an option for the City to own the facility at the end of the period? 2) Do we have a plan to build or buy a facility that meets the need of this space? 3) Is this a type of needed space that the City will always lease the space instead of buying the space? If so, why? 4) Before the end of this 87 month period the City will have already moved DSD and other City Staff to the Highland campus, has it been considered to have a shorter lease and then move some of the ATD staff requiring office space to the One Texas Center when space becomes available?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

1) No, there is no option for the City to own the facility at the end of the period.

2) No, at this time there is no plan to build or buy a facility that meets the needs of this space. Austin Transportation Department's need for this space is immediate, caused by the loss of its warehousing space at the St. Johns Home Depot site and LCRA's termination of its lease at 3701 Lake Austin Blvd. There is also a pressing need to relocate staff so that they can be co-located to provide for more efficient operations.

This is a 7-year lease with the option to extend for an additional 5 years. Staff continues to strategically pursue acquisition options as they are presented. Current strategic facilities planning does not include a purchase or construction of a facility to accommodate the need in the near term, but the needs of ATD continue to grow for warehouse and office space, which is a common theme among many departments. The Strategic Facilities Governance Team is working on analysis and plans to address many of these common needs across the City. As the end of the lease term for the facility approaches, this analysis and space planning work will be utilized to move towards finding a long-term facility for these ATD operations.

3) No. The Strategic Facilities Governance Team is working on analysis and planning to address office and warehouse space needs across multiple departments within the City.

From the perspective of ATD, leasing this space provides the flexibility and capacity to meet the growing demands for transportation services and immediate inventory management needs. Currently, ATD has 9 locations that store materials and equipment. Many of these spaces are primarily occupied by other City departments. As previously indicated, ATD's primary inventory location at the St. Johns Home Depot site is required for other City uses and ATD has been asked to remove our supplies from this location (Note: the Home Depot building at St. Johns is no longer suitable for use because of its deteriorated state and environmental conditions). This proposed warehouse and office lease on Cameron Road will reduce the number locations occupied by ATD significantly and provide the department with the

opportunity to plan operations and large scale projects. The property also gives ATD the opportunity to co-locate field operations (signals, signs, markings, inventory, arterial management staff, etc.) which will increase department cohesiveness and efficiency. The north location, along with ATD's locations in South and Central Austin (Barton Oaks, Toomey Rd., and Rio Grande) will allow the Department to assign staff to work locations that encourage reduced commute distance (using hotel office space in each of the buildings, ATD plans to use transportation demand management techniques to reduce employee commutes).

4) Although the Cameron Road facility will provide interim office space for ATD to meet its facility needs until the new Planning and Development Center at Highland Mall is complete, the majority of the Cameron Road facility is required for the consolidation of large inventory, heavy equipment and vehicles that are now spread over numerous locations. Accordingly, the operations moving to the proposed Cameron Road facility would not be appropriate to move to One Texas Center or the new Planning and Development Center at Highland Mall because of the operational needs of those divisions. The Cameron Road facility is also in close proximity to the TXDOT Austin District Headquarters. This will provide opportunity for greater interaction and cooperation. Likewise, the Cameron Road facility is in close proximity to CTECC. As ATD continues to encourage and pursue joint operations of a regional traffic management center (likely to be located at CTECC), the proximity of signal crews and arterial operations staff located at Cameron Road to the regional assets located at CTECC will encourage closer operational ties and efficiencies between the City and TXDOT.



Recommendation for Action

File #: 18-2776, Agenda Item #: 30.

8/9/2018

Agenda Item

Agenda Item #30: Approve an ordinance vacating approximately 4.44 acres of certain portions of Congress Avenue, 16th Street, 17th Street, and 18th Street, all out of Division E of the Government Tract adjoining the Original City of Austin, to the Texas Facilities Commission, and waiving City Code Sections 14-11-74 (Appraisal of Property) and 14-11-75 (Payment for Right-of-Way).

QUESTION:

1. Would the value of the easement be added to the City's ledger with the Texas Facilities Commission?
2. What is the current value of the ledger?
3. Does Texas Facilities Commission have a ledger arrangement with other jurisdictions?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

1. No, the value of the easement will not be added to the City's ledger with the Texas Facilities Commission (TFC). The right-of-way vacation and the utility tunnel easement will be provided to TFC in exchange for a "reasonable value" in accordance with Texas Government Code §2166.052.
2. \$1,319,208 is the current balance owed by TFC.
3. No, the TFC does not have a ledger arrangement with other jurisdictions.

QUESTION:

Questions regarding the Capitol Complex, from CM POOL'S OFFICE, see below.

ANSWER:

When Council approved this item previously, was language in that motion indicating that an appraisal or valuation of the associated utility easements and property interests would be waived, or is that waiver request new to this update?

The waiver of the appraisal is new to this update and was added to the Request for Council Action (RCA) in the event the appraisal was not completed at the time of Council consideration. The appraisal will be completed prior to August 9th, and a waiver of appraisal will not be needed. The posting language of the RCA will be amended to remove the waiver of the appraisal.

What method is being used to place current, accurate value on the 4.44 acres?

A third-party appraiser has been retained to provide an opinion of market value of the 4.44 acres of right-of-way to be vacated. Approval of the Council item would waive City Code Section 14-11-75 (Payment of Right-of-Way) as the right-of-way vacation and the utility tunnel easement will be provided to TFC in exchange for a "reasonable value" in accordance with Texas Government Code §2166.052.

Will this amount be placed on the State "ledger," as discussed when this topic came to Council previously?

The right-of-way vacation and the utility tunnel easement will be provided to TFC in exchange for a "reasonable value" in accordance with Texas Government Code §2166.052. Please see the attached memorandum to Council dated November 30, 2017 regarding the exchange for a "reasonable value".

Section 1.7 of the approved Interlocal Agreement states the following: "Parties commit to expediting the

negotiation of an agreement, subject to Austin City Council approval, to facilitate the exchange of this and any other necessary property interest, including easements for utility tunnels, for a “reasonable value” in accordance with Texas Government Code §2166.052.”

What is the current amount on that ledger that the State of Texas owes to Austin taxpayers?

\$1,319,208 is the current balance owed by TFC.



MEMORANDUM

TO: Mayor and Council

FROM: J. Rodney Gonzales, Director, Development Services Department

DATE: November 30, 2017

SUBJECT: Correction – Items 26 & 27 (Capitol Complex Project)

The December 7, 2017 Council agenda includes two items related to the development of Phase One of the 2016 Texas Capitol Complex Master Plan.

Item 26 authorizes execution of an interlocal agreement with the Texas Facilities Commission (TFC) for development of Phase One of the 2016 Texas Capitol Complex Master Plan. Item 27 waives fees in an amount not to exceed \$6,800,000 and requirements related to review of an application for right-of-way vacation by certain Commissions.

Unfortunately, each of the final posted Recommendations for Council Action (RCAs) did not include recent revisions. Specifically, the final posted RCA's include a summary of the requests received from TFC as follows:

1. Priority processing of all aspects of the project requiring City consideration;
2. Waiver of easement and right-of-way usage fees;
3. Conversion of 16th, 17th, and 18th Streets to two-way traffic; and,
4. Vacation of North Congress Ave. from the northern boundary of 15th St. to Martin Luther King, Jr. Blvd., along with a portion of 17th St.

Numbers 2 and 4 should have reflected revisions as shown below, and a number 5 should have been included as follows:

1. Priority processing of all aspects of the project requiring City consideration;
2. Waiver of temporary use of right-of-way permit fees;
3. Conversion of 16th, 17th, and 18th Streets to two-way traffic;
4. Vacation of North Congress Avenue from the northern boundary of 15th Street to Martin Luther King, Jr. Boulevard, along with portions of 16th Street, 17th Street, and 18th Street; and,
5. A permanent easement for State-operated utilities.

Item number 5 on the above list relates to a utility tunnel easement(s) as requested by TFC under City right-of-way. Previously, this was contemplated as a fee waiver. However, the Office of Real Estate Services has determined that a utility tunnel easement is a property interest that is granted and is not considered a fee waiver. Therefore, the total amount of the proposed fee waiver now only includes the temporary use of right-of-way permit fees.

Number 4 reflects a minor adjustment to the area proposed for vacation by extending it to small portions of 16th and 18th Street.

As a reminder, should Council approve execution of the interlocal, a future Council action item will be brought forward at a later date for the right-of-way vacation and the utility tunnel easement in exchange for a "reasonable value" in accordance with Texas Government Code §2166.052.

Please feel free to contact me at (512) 974-2313, or Marie Sandoval, Development Services Manager, at (512) 974-3298, should you have any questions or concerns.

Cc: Elaine Hart, Interim City Manager
Joe Pantalione, Interim Assistant City Manager
Lauraine Rizer, Director, Office of Real Estate Services
Lauren Bellomy, Assistant City Attorney, Law Department
Marie Sandoval, Development Services Manager, Development Services Department



Recommendation for Action

File #: 18-2880, Agenda Item #: 32.

8/9/2018

Agenda Item

Agenda Item #32: Approve an ordinance creating City Code Chapter 13-7 to enact regulations for vehicle immobilization services (vehicle booting); authorizing related fees; and creating offenses.

QUESTION: What are the set criteria to justify the request of a boot removal by a peace officer or transportation enforcement officer? What would be the grounds for the director to deny, suspend or revoke a license or operating permit?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

What are the set criteria to justify the request of a boot removal by a peace officer or transportation enforcement officer?

Officers are obligated to act in a reasonable manner and within the law. An officer could require the removal of a boot if he/she had a reasonable belief that the boot was applied in violation of the proposed law. Please see some examples below:

- Unlicensed or unpermitted
- No written agreement between lot owner and the licensee
- No signs posted per State Code
- Form of payment not accepted by booting company
- No safety apparel worn
- Boot not removed within one hour of call

What would be the grounds for the director to deny, suspend or revoke a license or operating permit?

APD and ATD will be adopting rules to set out the criteria to deny, suspend, or revoke a license or permit. The rules will be similar to that for tow truck drivers, and will focus on whether the operators and business owners are fit to engage in vehicle booting based on their criminal backgrounds, whether they are using safety equipment (licensee), and whether they have proper insurance (licensee). Vehicle booting poses a particular danger to the public because it involves immobilizing people's cars in possibly remote places or places far from their homes. Therefore, it is important that licensees and operators be fit and safe to interact with the public in this business.



Recommendation for Action

File #: 18-2878, Agenda Item #: 33.

8/9/2018

Agenda Item

Agenda Item #33: Authorize negotiation and execution of Amendment No. 4 to the agreement with Asian American Resource Center, Inc. for the provision of community health navigation services to Asian American immigrant groups, adding three 12-month extension options beginning October 1, 2018 in an amount not to exceed \$155,000 per extension option for a total agreement amount not to exceed \$807,775.

QUESTION: How many individuals have been enrolled in what services during the current contract period? Please provide a breakdown by the identified primary languages.

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

The current contract period is January 1, 2018 - September 30, 2018. Year to date a total of 87 unduplicated clients have been served. Clients work with a Community Health Worker to connect to services and navigate through systems of care. The total goal for the contract is 114 unduplicated clients.

Please provide a breakdown by the identified primary languages.

Language # of individuals

Korean - 42

Vietnamese - 19

Burmese - 26

Total - 67.



Recommendation for Action

File #: 18-2883, Agenda Item #: 42.

8/9/2018

Agenda Item

Agenda Item #42: Authorize award and execution of a multi-term contract with Emancipet, Inc., to provide heartworm treatment services for dogs, for up to five years for a total contract amount not to exceed \$675,000.

QUESTION: What is the number of vouchers issued over the past 3 years? How many heartworm positive animals have been adopted from the shelter? How many transferred to other shelters?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

1) What is the number of vouchers issued over the past 3 years?

The following chart shows the number of vouchers issued for each of the previous 3 years:

Fiscal Year 2015	360
Fiscal Year 2016	346
Fiscal Year 2017	252
Fiscal Year 2018	161 (To date)

2) How many heartworm positive animals have been adopted from the shelter?

The same number of vouchers are issued each year as the shelter gets heartworm positive animals, so the numbers for the previous 3 years are:

Fiscal Year 2015	360
Fiscal Year 2016	346
Fiscal Year 2017	252
Fiscal Year 2018	161 (To date)

3) How many transferred to other shelters?

The following chart shows the number of heartworm positive animals that were transferred to other shelters:

Fiscal Year 2016	156
Fiscal Year 2017	142
Fiscal Year 2018	66 (To date)

Heartworm Vouchers are not issued to shelter or rescue transfer partners.



Recommendation for Action

File #: 18-2846, Agenda Item #: 43.

8/9/2018

Agenda Item

Agenda Item #43: Authorize negotiation and execution of a multi-term contract with Austin Music Foundation, to provide a workforce development and continuing education program for local musicians, for up to three years for a total contract amount not to exceed \$225,000.

QUESTION:

The backup information on the RCA stated that the services would be delivered through AMF as well as local higher education partners. Which ones are they referring to?

The backup says that AMF is expected to provide education to about 4000 musicians. Is that over the course of just one year (the initial term) or the full three years?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

The higher education partners who will also be delivering these services haven't been worked out yet. The intention is that they will be local institutions, however, building those partnerships is part of the scope of work for this contract.

QUESTION:

AMF is expected to provide education to 4000 musicians over the full three years.

: Was a competitive procurement process, like and RFP or RFQ, done for this project or was it a sole source procurement process?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

This is being requested as a professional service contract, which is exempt from the State of Texas competitive bidding requirements. The Economic Development Department conducted market research prior to declaring it a professional service and found that AMF was uniquely qualified to provide curriculum and services to local musicians for a reasonable price.



Recommendation for Action

File #: 18-2884, **Agenda Item #:** 44.

8/9/2018

Agenda Item

Agenda Item #44: Authorize an amendment to an existing contract with Capital Investing in Development & Employment of Adults, Inc. D/B/A Capital IDEA, to provide continued workforce development services, for an increase in the amount of \$319,200, for a revised total contract amount not to exceed \$10,353,100.

QUESTION: Does all of Capital IDEA's funding come from the Economic Development Department? If not, where do they get additional funding? How much funding has been received from all sources since 2015? How many individuals have entered the program? How many individuals have graduated from the program? How many continue to be employed in 2018?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

- 1) *Does all of Capital IDEA's funding come from the Economic Development Department? If not, where do they get additional funding?*

Capital IDEA's funding does not all come from the Economic Development Department. Funding is received from a variety of sources including public, private and philanthropic entities. Information regarding their organization can be found on their public website: [www.capitalidea.org <http://www.capitalidea.org/wp-content/uploads/2018/05/AR2017-web.pdf>](http://www.capitalidea.org/wp-content/uploads/2018/05/AR2017-web.pdf)

- 2) *How much funding has been received from all sources since 2015?*

Staff would need to contact Capital IDEA to request a breakdown of all funding since 2015. Below is financial information excerpted from the Capital IDEA 2017 Annual Report available publicly at:

www.capitalidea.org/wp-content/uploads/2018/05/AR2017-web.pdf <<http://www.capitalidea.org/wp-content/uploads/2018/05/AR2017-web.pdf>>

2017 Revenue:	\$6,033,179
Foundation Grants:	\$2,613,945
City of Austin:	\$1,878,690
Travis County:	\$ 881,856
State ACE Fund:	\$ 215,625
Individual & Corporate:	\$ 15,890
Other Revenue:	\$ 427,173

Financial information in this report is drawn from the financial statements and independent auditors report

prepared by Montemayor Britton Bender PC, certified public accountants.

3) *How many individuals have entered the program?*

During the City of Austin contract fiscal year 2017, Capital IDEA reporting serving 1,224 clients entering or continuing the multi-year program.

4) *How many individuals have graduated from the program?*

The average time of enrollment during degree and certificate programs is 3.3 years. Capital IDEA clients earned 112 Degrees & Certificates during Capital IDEA calendar year 2017 (*December graduates are often placed in careers the following year*).

5) *How many continue to be employed in 2018?*

Reporting for the 2018 contract year is not yet due or complete. During the last completed contract year-end report (2017) Capital IDEA reported that 105 clients (100%) obtained employment, all achieving wages above \$12/hr. 92 (88%) of clients reported employment within 90 days of program completion and 73 (84%) of clients reported employment at 180 days. EDD continues to work through the Master Community Workforce Plan to create data programs that would allow for additional longitudinal outcome tracking that would extend beyond 180 days.

QUESTION:

Who requested the amendment to the contract? Was this a sole source contract or an RFP? What was the motivation to have this increase? And, why now?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

EDD coordinated with the Purchasing Office to determine the best method to deliver the services requested in Council Budget Rider (CIUR 1963).

Capital IDEA's existing contract MA 5500 NA160000015 was awarded via an RFP (EAD0118) and approved by Council on 11/20/14, #70.

Direction was given in the form of a Budget Rider (CIUR 1963) to provide workforce training and supportive services to trainees for long term employment opportunities at a living wage and a two-year degree. EDD coordinated with the Purchasing Office to determine the best method to deliver the services requested in the reference budget rider. The requested services very closely align with those provided via Capital IDEA's existing contract MA 5500 NA160000015 and it was determined that an amendment was appropriate to meet the specific direction of the budget rider.



Recommendation for Action

File #: 18-2879, Agenda Item #: 45.

8/9/2018

Agenda Item

Agenda Item #45: Authorize negotiation and execution of a multi-term contract with Austin Regional Manufacturers Association D/B/A ARMA, to provide workforce development services, for up to three years for a total contract amount not to exceed \$360,000.

QUESTION: Where is this Association located? How many people will they provide workforce development services to?
COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

Austin Regional Manufacturers Association dba ARMA is located at 1910 W. Braker Lane, Building 3, Suite 100 Austin, TX 78758.

This contract focuses on piloting a range of activities meant to explore, establish and expand training pathways to manufacturing careers. One central piece involves the development and piloting of an industrial/manufacturing internship program for adults, emphasizing those with barriers to employment, with the goal of at least 30 paid internships secured and initiated during the initial one-year contract term. If successful, any future extension options would increase the number of interns and further expand this scope to consider adapted deliverables based on progress and success of piloted activities. Community outreach is also included in this contract that shall be conducted in coordination with area schools concerning training, certifications, paid internships, and employment. Outreach will include presentations, demonstrations and facility tours. This contract works toward long-term goals in the manufacturing sector via coordination with Workforce Solutions Capital Area and area school districts. This contract also includes detailed reporting concerning successes, challenges, and recommendations for the program to be implemented to support the program's continuing success and sustainability. These reports and outcomes from the pilot programs will be evaluated after the initial one-year term to determine feasibility, scale and direction for any extension of the contract

QUESTION:

Was this a sole source contract or an RFP? What was the motivation for bringing forward this item now?
COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

This is being requested as a professional service contract, which is exempt from the State of Texas competitive bidding requirements.

EDD has been exploring strategic investments to program available workforce development funds in the department budget. Based on Council's adoption of Strategic Direction 2023 and subsequent identification of priority for strategies addressing the skills and capability of community workforce, EDD sought solutions to align these priorities with support for the recently adopted Austin Area Master Community Workforce Plan and last year's study of manufacturing employers. In that study, EDD collaborated with ARMA, Austin Community College and Workforce Solutions to have the

University of Texas Ray Marshall Center for the Study of Human Resources conduct a third-party study of manufacturing employers in the Austin area. The scope of work for this proposed contract ensures action based on the recommendations of the study by leveraging the expertise and community relationships developed by ARMA through the recent study and past years of work with Austin manufacturers.



Recommendation for Action

File #: 18-2850, Agenda Item #: 47.

8/9/2018

Agenda Item

Agenda Item #47: Authorize negotiation and execution of a cooperative contract with Fitness In Motion, for exercise equipment, in an amount not to exceed \$96,000.

QUESTION: What happens to the fitness equipment that is no longer used?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

When fitness equipment is broken the facilities team is responsible for inspecting the items to see if they are repairable. When fitness equipment is broken and beyond repair the facilities team is responsible for disassembling the items before throwing them away, ensuring that any plastic or metal parts are recycled. For items that are still usable but no longer needed, the department sells the equipment through an auction process.



Recommendation for Action

File #: 18-2882, Agenda Item #: 57.

8/9/2018

Agenda Item

Agenda Item #57: Approve a resolution proclaiming “Barton Springs University Day” and allowing free admission to Barton Springs Pool on Tuesday, September 25, 2018.

QUESTION: What is the estimated participant number and fiscal impact? Will there be a mechanism to validate participants as university or school affiliates? For example, will there be school ID verification? What has been the estimated number of participants and fiscal impact in the past for Barton Springs Fest or similar annual events? How many annual events are held at Barton Springs that provide free or discounted entrance fees?

COUNCIL MEMBER HOUSTON’S OFFICE

ANSWER:

The resolution for Barton Springs University originally allowed for free entry until 2pm. This resolution was approved in May of 2013, and identifies the second Saturday in August as Barton Springs Fest. However, based on the large crowds in August, the request was made to move the event to September, identify a full day for free entry to the pool for all, and call the event Barton Springs University Day.

Due to the fact that the pool will be free for entry all day there will be no verification of school affiliations. However, area schools are invited to attend.

Historically, Barton Springs University draws larger crowds. Last year’s Barton Springs University was held on Tuesday, September 26th, and served over 1100 free participants. Because there are different fee levels dependent on age, and ages were not verified upon entry, it is difficult to determine an exact estimated fiscal impact for a fee waiver for Tuesday, September 25, 2018. Using last year’s attendance numbers as a baseline, and estimating half of the participants are juniors aged 12-17, would result in approximate fee waivers of \$2750.

There are two standing free days at Barton Springs Pool, one being the first Saturday in June known as Barton Springs Free Day and a Tuesday in September know as Barton Springs University.



Recommendation for Action

File #: 18-2873, Agenda Item #: 58.

8/9/2018

Agenda Item

Agenda Item #58: Approve a resolution directing the City Manager to identify potential sources of funding for the continuation of the Expanded Mobile Crisis Outreach Team.

QUESTION: 1) Can City Staff please provide an estimate for the amount of City resources, including City Staff time, required to implement this resolution if approved? 2) When was the 1115 Medicaid Waiver policy changed? 3) Is Travis County participating in funding for EMCOT in FY 2019? If so, what is the dollar amount and what percentage of EMCOT's FY 2019 budget is Travis County funding? 4) Does EMCOT provide services or co-respond to calls in areas of Travis County that are outside the City of Austin? 5) Does EMCOT provide services or co-respond to calls in all part of the City of Austin limits including the portions of Austin in Williamson County?

COUCNIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

It is difficult to determine at this time the resources required, but several departments included Austin Public Health, APD and EMS would be working on developing a contract, returning to Council for approval and execution/approval by the vendor. Staff estimates this would take 6 weeks.

EMCOT Funding was not included in the City's initial 1115 Waiver projects. In January 2018, Centers for Medicare and Medicaid Services (CMS) and The Health and Human Services Commission (HHSC) approved a protocol that called for a shift from a project to system focus. This meant DSRIP providers had to propose initiatives that would help measure the effectiveness of system of care rather than a standalone project. Performance measures are now applied to the system as a whole rather than being linked with specific projects. For example, Austin Public Health is now a system of care, and has selected measures that can be applied to persons receiving services at any program within APH, i.e. WIC clinic, Immunizations or Mobile outreach. Previously outcomes were counted at singular service points and only with respect to the specific project/service that was funded.

The entire city limits, including those areas in Williamson County are part of the EMCOT service area.

A request for funding has been submitted to Travis County. There has been no decision to date as the County is currently going through its budget process.



Recommendation for Action

File #: 18-2885, Agenda Item #: 59.

8/9/2018

Agenda Item

Agenda Item #59: Approve a resolution expressing Council's desire that city resources, including fee waivers, be used only for Veterans Day events and parades that only honor those who have served in the United States of America's Armed Forces.

QUESTION: Is the purpose of item #59 to single out specific groups? If adopted is the council saying that it will not even consider granting fee waivers for organizations or entities whose viewpoints may differ?

Please define/explain the use of term "City Resources" as it relates to the resolution.

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

The intent of Item #59 is to support a Veterans Day parade that focuses on honoring those who have served in the Armed Forces of the United States of America. The intent of the IFC is not to single out any other specific group and it neither identifies nor singles out any other specific group.

Item #59 does not address and remains neutral as to "viewpoints" of any organization or entity. By passing Item #59, the Council would be expressing its support for Veteran Day events and parades that focus on and honor only those that have served in the Armed Forces of the United States of America. To implement Item #59, City staff will not need, nor should it ascertain or consider the viewpoint of any organization or entity. The prohibition concerning uniforms, flags and symbols not of the United States Military Armed Forces is to be neutrally applied as to all organizations or entities and as to all military armed forces not of the United States of America. The resolution does not limit the Council from future consideration of granting fee waivers in any context that might be brought before it by Council Members.

City Resources generally refers to fee waivers and any discounts to fees the city may provide. In this case, it would also include any firetrucks, not in service, that participate in the parade.

RESPONSES PROVIDED BY MAYOR'S ADLER'S OFFICE.



Recommendation for Action

File #: 18-2874, Agenda Item #: 60.

8/9/2018

Agenda Item

Agenda Item #60: Approve a resolution to explore an independent third party appeals process for municipal employees when certain healthcare claims are denied.

QUESTION: Can City Staff please provide an estimate for the amount of City resources, including City Staff time, required to implement this resolution if approved?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

The Human Resources Department currently has benchmark data that provides information on other Texas public sector entities utilizing independent third party appeals. We would need to contact these entities to expand the information to include limitations, opportunities, types of claims sent to the third party and the annual cost of a third-party review. Further, we would need to expand the data to include other public-sector entities outside of Texas. For this level of research, and to compile the information into a benchmarking document, we estimate needing approximately three months to complete. One individual would work on this project for continuity, and the costs to complete the review would include the individual's regular wages.

Should the City Council direct the City Manager to use an independent third-party company for the review of denied healthcare claims, this would be achieved through a competitive Request for Proposal (RFP) process. The Purchasing Office, in partnership with the Human Resources Department, would issue a solicitation. To issue an RFP, Human Resources staff would write the solicitation and then work with the Purchasing department to issue, evaluate and recommend a vendor. With the current staff workload, including preparing for the upcoming open enrollment process and working with the Purchasing Office, the solicitation process is estimated to take 6-8 months. The proposal evaluation team would consist of at least three staff members: benefits coordinator, benefits consultant and assistant director, and would require staff to work on this project several hours each a week to issue the solicitation. Depending on the number of responses received, review of the proposals may take an additional 30 hours, and then staff would spend time during the award and contract preparation period assisting Purchasing with any questions they may have.

Staff has requested that the Purchasing Office reach out to the vendor to inquire on the feasibility of providing an appeal process outside of their current purview to then advise the City on in a timeframe less than the anticipated City timeframe of 6-8 months.



Recommendation for Action

File #: 18-2875, Agenda Item #: 61.

8/9/2018

Agenda Item

Agenda Item #61: Approve a resolution relating to guidance for implementation of general obligation bond projects and programs for the November 2018 bond election.

QUESTION: Can City Staff please provide an estimate for the amount of City resources, including City Staff time, required to implement this resolution if approved?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

A substantial portion of the work related to implementing this resolution will be absorbed into existing City resources, such as debt issuance from Treasury, project management from the Public Works Department, and bond program oversight/monitoring from Financial Services Department/Executive staff. Additional Operations & Maintenance costs associated with this bond program have been estimated and can be found in the response to a Council bond question #19 at <http://www.austintexas.gov/budget/councilbondquestions/index.cfm>.

QUESTION: Please provide a detailed breakdown of programs and projects proposed to receive funding in the 2018 Bond proposal? The Bond Election Advisory Task Force provided an ideal breakdown in their report to council. Could you please provide a table of comparison from this package to the Bond Election Advisory Task Force report?

COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

See attachment.



2018 GO Bond Program/Project Table

The information below details the current breakdown of projects and programs in the 2018 Bond Package to go before the voters November 2018 upon final Council approval. The Bond Election Advisory Task Force recommendations are included as well.

Affordable Housing

Program	Description	Bond Task Force Recommendation	Council Package	Difference
Rental Housing Development Assistance Projects	Rental Housing Development Assistance (RHDA) program increases or maintains the supply of affordable rental housing by addressing the rental housing needs identified by the City of Austin's Continuum of Housing Services, including Permanent Supportive Housing and other affordable housing facilities.	\$ 75.0 M	\$ 94.0 M	\$ 19.0 M
Acquisition & Development (A&D) Homeownership Program	The purpose of the A&D Homeownership Program is to address the need for affordably-priced ownership housing within the city. Housing developed through this program are to be owned and occupied by low- to moderate-income households.	\$ 18.0 M	\$ 28.0 M	\$ 10.0 M
Land Acquisition	This new forward-thinking initiative will enable AHFC to acquire and hold land, including acquisition of publicly-owned land, for future use with the potential to achieve multiple community benefits, including affordable housing development. The land can be developed by AHFC or be offered to non-profit or for-profit affordable housing developers.	\$ 50.0 M	\$ 100.0 M	\$ 50.0 M
Home Repair Program	Funds will be needed to carry out minor home repairs and rehabilitation throughout the community. Through the GO Repair! Program, the City contracts with seven nonprofit organizations that provide critical life safety repairs to low- and moderate-income homeowners' homes	\$ 18.0 M	\$ 28.0 M	\$ 10.0 M
Total		\$161.0 M	\$250.0 M	\$89.0 M



Libraries & Cultural Centers

Program	Description	Bond Task Force Recommendation	Council Package	Difference
Branch Library Renovations	Funding for rehabilitation and renovations to branch libraries as well as funding for this first phase of the conversion of Faulk Central Library for archival use by the Austin History Center	\$ 31.5 M	\$ 34.5 M	\$ 3.0 M
Cultural Center Improvements	Funding for improvements to the Emma S. Barrientos Mexican-American Cultural Center (MACC), Asian-American Resource Center (AARC), George Washington Carver Museum and Cultural Center, Mexic-Arte Museum	\$ 42.5 M	\$ 56.5 M	\$ 14.0 M
Creative Spaces	Funding for the acquisition or support of acquisition of property for creative spaces	\$ 0.0 M	\$ 12.0 M	\$ 12.0 M
Dougherty Arts Replacement Facility	Funding for the complete replacement of the Dougherty Arts Facility	\$ 25.0 M	\$ 25.0 M	\$ 0.0 M
Total		\$ 99.0 M	\$ 128.0 M	\$ 29.0 M

Parks and Recreation

Program	Description	Bond Task Force Recommendation	Council Package	Difference
Aquatics	Funding for a new Colony Park Pool and renovations to existing City pools	\$ 33.0 M	\$ 40.0 M	\$ 7.0 M
Building Renovations	Funding for renovations/rehabilitation of existing PARD facilities and assets, including ADA and safety improvements	\$ 21.5 M	\$ 21.5 M	\$ 0.0 M
Infrastructure	Funding for improvements to playscapes, trails, parking lots and roadways, athletic fields and facility improvements, and improvements to the City's cemeteries	\$ 17.5 M	\$ 17.5 M	\$ 0.0 M
Parkland Improvements	Funding for development of existing City parks, including greenbelts, neighborhood parks, district parks, metro parks such as	\$ 25.0 M	\$ 25.0 M	\$ 0.0 M



	Roy G. Guerrero Park and John Trevino Jr. Park, and the Downtown Squares			
Parkland Acquisition	Funding for the acquisition of land, including publicly-owned land, for new parkland, such as a destination park in the Oak Hill area and Lions Municipal Golf Course, infill parks and greenbelts	\$ 45.0 M	\$ 45.0 M	\$ 0.0 M
Total		\$ 142.0 M	\$ 149.0 M	\$ 7.0 M

Flood Mitigation and Open Space

Program	Description	Bond Task Force Recommendation	Council Package	Difference
Drainage/Stormwater Projects	Funding for flood risk reduction and drainage improvement projects and for buyouts in flood prone areas	\$ 112.0 M	\$ 112.0 M	\$ 0.0 M
Open Space Acquisition	Funding for the acquisition of water quality protection lands	\$ 72.0 M	\$ 72.0 M	\$ 0.0 M
Total		\$ 184.0 M	\$ 184.0 M	\$ 0.0 M

Public Safety

Program	Description	Bond Task Force Recommendation	Council Package	Difference
Fire Station Renovations	Funding for renovations at existing fire stations around the City	\$ 44.0 M	\$ 13.0 M	(\$ 31.0 M)
EMS Station Renovations	Funding for renovations at existing EMS stations around the City	\$ 25.0 M	\$ 25.0 M	\$ 0.0 M
Total		\$ 69.0 M	\$ 38.0 M	(\$ 31.0 M)



Transportation Infrastructure

Program	Description	Bond Task Force Recommendation	Council Package	Difference
Bridges and Structures	Funding to replace the Red Bud Trail/Emmet Shelton Bridge over Lady Bird Lake and other priority bridges	\$ 54.0 M	\$ 50.0 M	(\$ 4.0 M)
Street Reconstruction	Funding for the rehabilitation of existing City streets, bus lane improvements, and cost participation in utility projects	\$ 75.0 M	\$ 66.5 M	(\$ 8.5 M)
Sidewalk Rehabilitation	Funding for the rehabilitation of existing City sidewalks	\$ 20.0 M	\$ 20.0 M	\$ 0.0 M
Signals and Technology	Safety and mobility improvements, upgrades to signals, controllers, firmware, expansion of communications systems, new signal installations	\$ 15.0 M	\$ 4.5 M	(\$ 10.5 M)
Vision Zero/Transportation Safety	Funding for major intersection safety projects, pedestrian safety improvements, speed management projects	\$ 15.0 M	\$ 15.0 M	\$ 0.0 M
Neighborhood Partnering Program	The Neighborhood Partnering Program (NPP) allows citizens to partner with the City to propose small to medium scale projects on City-owned property to improve the places in which they live, work and play	\$ 1.0 M	\$ 1.0 M	\$ 0.0 M
Urban Trails	Funding for the expansion of the urban trail network	\$ 0.0 M	\$ 3.0 M	\$ 3.0 M
Total		\$ 180.0 M	\$ 160.0 M	(\$ 20.0 M)

Health and Human Services

Program	Description	Bond Task Force Recommendation	Council Package	Difference
New Dove Springs Health Center	Funding for a new Dove Springs Health Center	\$ 16.0 M	\$ 16.0 M	\$ 0.0 M

Total

		Total Bond Task Force Recommendation	Total Council Package	Difference
		\$ 851.0 M	\$ 925.0 M	\$ 74.0 M



Recommendation for Action

File #: 18-2876, Agenda Item #: 62.

8/9/2018

Agenda Item

Agenda Item #62: Approve a resolution creating a temporary donated sick leave program for sworn Austin Police Department employees on the same terms as provided in the 2013-17 meet and confer agreement between the City and the Austin Police Association.

QUESTION: Can City Staff please provide an estimate for the amount of City resources, including City Staff time, required to implement this resolution if approved?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

It is difficult to come up with an estimate because it depends on each individual situation. The program requires the employee apply to the program for the hours and this request is reviewed and approved by the Chief or his designee. Then the APD HR Manager sends out a request for donations and forms are submitted from employees wishing to donate for up to 40 hours and a max of 400 hours. Donations are processed by the HR Manager by making adjustments from the bank of the donator to the employee receiving donations. This takes that manager around 30 minutes. The hours are then used as needed by the employee and the HR manager monitors the accrual bank of that employee.

During calendar year 2017, 6 employees received donations through this program and in calendar year 2016, 4 employees received donations. The administrative cost is minimal.



Recommendation for Action

File #: 18-2886, Agenda Item #: 77.

8/9/2018

Agenda Item

Agenda Item #77: Briefing on the Project Assessment Report for the 218 South Lamar Planned Unit Development, located at 218 South Lamar Boulevard, within the Lady Bird Lake Watershed within the Urban Watershed (CD-2018-0003).

QUESTION: How is a planned unit development defined in the Land Development Code? Why is a planned unit development being considered for this property, rather than a standard zoning district? Have exceptions been made for other properties that don't meet the definition? If so please identify the properties, the justification and the date.
COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

Planned Unit Developments (PUDs) are defined in code as follows:

§ 25-2-144 - PLANNED UNIT DEVELOPMENT (PUD) DISTRICT DESIGNATION.

- (A) Planned unit development (PUD) district is the designation for a large or complex single or multi-use development that is planned as a single contiguous project and that is under unified control.
- (B) The purpose of a PUD district designation is to preserve the natural environment, encourage high quality development and innovative design, and ensure adequate public facilities and services for development within a PUD.
- (C) A PUD district designation provides greater design flexibility by permitting modifications of site development regulations. Development under the site development regulations applicable to a PUD must be superior to the development that would occur under conventional zoning and subdivision regulations.
- (D) A PUD district must include at least 10 acres of land, unless the property is characterized by special circumstances, including unique topographic constraints.

The Applicant has requested PUD zoning in order to allow greater height and different design standards than are allowed in the base zoning category and by the Butler Shores subdistrict of the Waterfront Overlay. A complete list of requested variances/modifications is attached with the Development Assessment memorandum in backup.

City Council has approved several PUDs in the past several years, and three of those PUDs were less than 10 acres in size. As stated, a PUD district does not have to exceed 10 acres in size if "the property is characterized by special circumstances." The three PUDs that were under 10 acres and approved were all located within the Waterfront Overlay, and it appears that Council considered that part of the "special circumstances." These were the following PUDs:

- Broadstone at the Lake, 201 S. First Street. City File # C814-2012-0071; Ordinance # 20121018-091 approved October 18, 2012. The 1.53 acre site is located in the South Shore Central subdistrict of the Waterfront Overlay.
- 211 South Lamar, 211 S. Lamar Boulevard. City File # C814-2012-0160; Ordinance # 20131017-052 approved October 17, 2013. The .93 acre site is located in the Butler Shores subdistrict of the Waterfront Overlay.
- 425 West Riverside Drive PUD, 425 W. Riverside Drive, 400 and 510 Barton Springs Road. City File # C814-2017-0001; Ordinance # 20180510-083 approved May 10, 2018. The 1.45 acre site is located in the South Shore

Central subdistrict of the Waterfront Overlay.



Recommendation for Action

File #: 18-2887, Agenda Item #: 88.

8/9/2018

Agenda Item

Agenda Item #88: C14-2018-0002 - Delwau Campgrounds - District 1 - Conduct a public hearing and approve an ordinance amending City Code Title 25 by rezoning property locally known as 7715 Delwau Lane (Colorado River Watershed). Applicant's Request: To rezone from single family residence-standard lot (SF-2) district zoning to general commercial services-mixed use-conditional overlay (CS-MU-CO) combining district zoning and commercial liquor sales-mixed use-conditional overlay (CS-1-MU-CO) combining district zoning. Staff Recommendation: To grant general commercial services-mixed use-conditional overlay (CS-MU-CO) combining district zoning and commercial liquor sales-mixed use-conditional overlay (CS-1-MU-CO) combining district zoning. Zoning and Platting Commission Recommendation: To grant general commercial services-mixed use-conditional overlay (CS-MU-CO) combining district zoning and commercial liquor sales-mixed use-conditional overlay (CS-1-MU-CO) combining district zoning, with conditions. Owner/Applicant: Delwau LLC (Adam Zimmerman). Agent: South Llano Strategies (Glen Coleman). City Staff: Heather Chaffin, 512-974-2122.

QUESTION: How many units are proposed for this site? What is the width of the road and what is the status of the shoulders? Are there street lights? What has been done to address the flooding issues along Delwau?
COUNCIL MEMBER HOUSTON'S OFFICE

ANSWER:

This not a proposed residential project; it is a proposed campground with an associated cocktail lounge use. The Applicant has stated that they proposed approximately 70-80 recreational vehicle spaces, food trucks, and alcohol sales. More details from the Applicant are provided in Exhibit B of the Staff Report.

Delwau Lane is classified as a local collector roadway and measures 20 feet in width. The speed limit is 25 mph, and there are no sidewalks or designated bike lanes. There is a connection to the Walnut Creek Greenbelt trail. There is no curb/gutter or street lights.

Staff has received report that there is flooding over the roadway west of the rezoning tract. There are no planned transportation or drainage infrastructure improvements planned by the City in the area. However, if the rezoning is granted, the property owner has agreed to construct additional roadway width and provide ADA compliant pedestrian access adjacent to their site. More details about roadway/traffic issues are provided in Exhibit A of the Staff Report (Neighborhood Traffic Analysis memorandum).



Recommendation for Action

File #: 18-2902, **Agenda Item #:** 109.

8/9/2018

Agenda Item

Agenda Item #109: Council discussion and possible action related to plans submitted in response to Resolution No. 20180628-060 regarding development on a city-owned site located at 10414 McKalla Place.

QUESTION:

Provide history of the McKalla Place regarding Capella Partners and what happened to the request for proposal?
COUNCIL MEMBER POOL'S OFFICE

ANSWER:

Below is a recap of the McKalla Place analysis:

In early December 2016, Capella Partners met with City staff. Capella Partners indicated they had met previously with Former City Manager Marc Ott. As the landowner directly adjacent to the west from the City owned property at 10414 McKalla Place, they were interested in sharing information about their proposed project and inquiring about the City's plans for the adjacent site. During the meeting, staff indicated that any mixed-used redevelopment on the parcel would require a Request for Proposal (RFP) procurement process. Staff also indicated a Council briefing would be required prior to any issuance of a RFP regarding the McKalla Place property.

In order to be fully informed prior to any Council briefing and work on drafting a RFP, the Office of Real Estate Services (ORES) staff ordered an independent appraisal of the property. ORES staff worked on a draft potential RFP document; however, a formal solicitation process never began.

In August 2017, the Office of Real Estate Services provided a memo updating Council on overall redevelopment of city land, and citing ten City Council resolutions pertaining to re-use of City owned real estate. Staff indicated that responses to these resolutions were being consolidated to provide a more comprehensive response. Staff recommended a "portfolio" approach rather than individual, and that a briefing for Council would be scheduled.

On March 6, 2018, staff presented to City Council a "*Framework for Redevelopment of City Owned Land*" <http://www.austintexas.gov/edims/document.cfm?id=294293>. In that presentation, McKalla Place was listed as one of the initial sites ready for a mixed-used redevelopment that could accomplish community objectives such as affordable housing, parks, and creative space. In addition, staff detailed a new framework process for such a redevelopment effort.

Later that month, on March 22, 2018, City Council passed resolution 20180322-99 "directing the City Manager to conduct further analysis of 10414 McKalla Place as a major league soccer stadium".

Pursuant to Resolutions 20180628-060 and 20180628-130 approved by Council on June 28, 2018, two items are on the Council's August 9, 2018 agenda related to 10414 McKalla Place including items #19 and #109.



Recommendation for Action

File #: 18-2877, Agenda Item #: 111.

8/9/2018

Agenda Item

Agenda Item #111: Approve a resolution finding that CodeNEXT is no longer a suitable mechanism to achieve its stated goals and directing the City Manager to develop and propose a new process leading to a Land Development Code that achieves the stated goals of the City as outlined in the Imagine Austin Comprehensive Plan, the Strategic Housing Blueprint, and the Austin Strategic Direction 2023 Plan.

QUESTION: Can City Staff please provide an estimate for the amount of City resources, including City Staff time, required to implement this resolution if approved?

COUNCIL MEMBER FLANNIGAN'S OFFICE

ANSWER:

Staff resources and costs have not been determined at this time. Staff will provide Council with an update on anticipated funding and resource needs once a new proposed process has been developed.