

City Council Work Session Transcript – 8/28/2018

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>> Mayor Adler: We've got a quorum present. So it is 9:08. Today is August 28th, 2018. We're in the boards and commission room here at city hall. We have basically three things that have been pulled. I don't know how long they'll take. Three things. First the child separation issue, the chapter 380 agreement, the mayor pro tem has pulled the sobriety center, and then we don't have any briefings today. We have executive session, which is basically our first conversation about our personnel reviews that we do trying to just set that up. Then November election and oversight of A.P.D. On the first item that was pulled, item number 25, there's did see I see that Pio and the sponsors have filed a new version. It's online, and it focuses on the separation issue. With that, it appeared to me that this might be something that could go on consent or close to going on consent, so I just wanted to daylight publicly that issue because depending on how it was done, it could have involved something that involved a couple hundred people speaking. But given the most recent draft, I'm not sure we get there, so I just wanted to announce that because it might be something that's susceptible of being handled quickly, and it's something that I've asked to be

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able to sign up as a co-sponsor as well. Yes, Ms. Houston. >> Houston: So I'm not sure which is the new language. I have something that's a little different, but on page 2 of 2, does it still say cancel all contracts with organizations involved in the separation of families? >> Mayor Adler: It has the "To be it resolved" clauses, the first one, manager directed to ensure the city of Austin does not provide financial support to organizations whose activity result in the separation of immigrant children from their parents or siblings. >> Houston: That's not what I asked you, sir. I asked if the last whereas still says cancel all contracts with organizations involved with the separation of children -- >> Mayor Adler: That may be in contravention - after cancel, it says to review. The city manager is directed to review contracts which may be [indiscernible] Back to council during the budget pros. >> Tovo: Mayor, councilmember Houston is talking about the last "Whereas." >> Mayor Adler: Oh, I'm sorry. I'm sorry. >> Houston: Sorry, I must be speaking Greek this morning. >> Mayor Adler: No, I'm just not hearing you well. I apologize. >> Houston: That's okay. >> Mayor Adler: The last whereas clause recognizes the recommendation made from the

hispanic quality of life commission. Doesn't it approve it or disprove it, it recognizes that's what the hispanic quality of life commission did. >> Houston: Okay. Thank you. >> Mayor Adler: Okay. It's a factual recitation. Okay? On the next one, on the 380 agreements, I pulled those as well, just to touch base on that.

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And mostly I did this because I'm trying to get ready for this on Thursday. Hopefully we can resolve these things. We had talked about trying to see if we could daylight any amendments prior to Thursday, and I'm not sure if anybody -- I'm not aware of anybody that's posted any new ones. To the ones I had, councilmember kitchen had one, councilmember Casar had five, councilmember alter had two, councilmember pool had four, and councilmember -- and mayor pro tem tovo had 6. And then you have a new one. Okay. Thank you. Okay. You want to go ahead? >> The amendment I'm suggesting, I just want to make it clear in our guiding principles that we're -- that we want to address specifically a need which is grocery stores in the eastern crescent, and so that's why I'm proposing this amendment for the guiding principles. But I also had a question in 58, item 58, which speaks specifically to locational grocery stores, I assume would be one of the kinds of industries or kinds of services that would fit under 58. Is that the right place for it? Okay. So I just want to make sure that in that language -- for example, it talks about -- I think it would be -- can you tell me under part 3 where you think grocery stores would fit or if it would -- or do you think it would be better to make it clearer, but I'm assuming commercial space would include grocery stores?

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And also -- I'm sorry -- manufacturing, because, you know, I've talked about how I think it would be great if we could incentivize manufacturing jobs also in the eastern crescent. So did you think the language now captures both grocery stores and manufacturing? >> I'm with economic development. Looking at the amendment that you provided, I think that it does accurately capture grocery stores and will identify a focus. That I think we will also look to include it in our location-based work as well. And then in term of manufacturing, I think we'll have to look for some specific locations where we can site manufacturing as a specific objective, probably most notably in the business expansion program, is where I would put that information. So we can come back to you with that. >> Garza: So you're saying by Thursday you can provide some more -- some language that would be specific to manufacturing? >> Correct. >> Garza: And part 3, page 2 of 3 in the proposed ordinance for 58, could you -- if you don't think grocery stores are captured in there, could you -- something specifically about grocery stores? So y'all are going to do that? I don't have to do that? >> Correct. >> Garza: Thank you. >> And one of the things I wanted to make a note of, Rebecca giello, interim director of economic development, the amendments that we received on the 9th have not currently been integrated in your document, so those will be done and added to the chart prior to Thursday so you can clearly see where and how they'll be integrated. We wanted to have this conversation before we started revising all the documents

again. >> Mayor Adler: These are respectfully with amendments that were passed back then or amendments that were offered? >> Amendments that were offered. >> Mayor Adler: Okay. So it's not going to be in the base document. You're saying you're just going to, by illustration, show us

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where they would be? >> That is correct. So they'll be added to the chart, noting the page numbers. >> Mayor Adler: Okay. >> And anything that would require modifying ordinances or resolutions will be noted there as well. >> Mayor Adler: Okay. Is there any way you can get stuff out to us so we're not trying to look at something on the dais that would be really helpful, for the same reason we're asking council to daylight things early? I think that most of the amendments that were offered are amendments that I'll be able to support when this comes up on Thursday. When we were walking in here today, there's a couple amendments that I have some concerns about. There's an amendment that would require all the medium-sized ones to come back to council for review. I think, councilmember pool, that was yours. I have some concerns about that one just because I thought one of the reasons we were doing this was to try to really describe the areas that people had to operate within, and if we did a good job of that, then we wouldn't have needed to have those coming back. >> Pool: And if I could just speak to that really quickly. >> Mayor Adler: Okay. >> Pool: I'm hoping that that will be the case but we don't yet know because we haven't segmented off these kinds of grants in this manner. We don't know how many there will be. So what I was going to suggest, and we've had extensive conversation with staff, we might just do it as a pilot and see how it works, say, in the first six months or between the time it's adopted till the end of the fiscal year when we're looking at assessing how the 380s have worked in the last three months, then we can see, and it may be that we don't need to be involved, but I don't know to give away that opportunity for council to review the changes to this document without checking them out first, so -- >> Mayor Adler: Yeah. >> Pool: It may alleviate some of the concerns that maybe have arisen. >> Mayor Adler: If we were setting something up where we

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were mandating pint in the future where we would revisit this whole thing, I would be fine with that as a way of trueing it up. So let me see the language that you have on that. There was also another one that you had that was environmental. We passed something related to environmental concerning mckalla. If you're seeking the incentive, then we want you to as you initiate your project, be covered by our ordinances. And I supported that and would support that here as well. As I was walking in, someone mentioned really high level that legal was taking a look, trying to make sure the wording in that it would actually do that. So if legal has a different or better wording for this that does that, if you could daylight that too, and you may already be working on that. >> Pool: And they should certainly be talking with my staff about that. >> We're happy to do that, yes. We're talking with staff and we're happy to talk with your staff and also councilmember alter's because I know she had some things... >> Mayor Adler: Okay. I had one last concern, I'll raise this again with the mayor pro tem. I don't know what her intent was. She

had a couple of amendments that talked about -- when we're talking about jobs, that we'd be focusing on people that employ city of Austin residents, and if the intent was to not have us focusing on bringing in people like from Cooper Tino, California, I'm all in favor of that. But for me, I would probably reach out regional on this, so if we had someone living in Pflugerville or someone living in Kyle, I would also want them to be able to benefit because I think regionally, that would just make us all stronger. And I don't know if the mayor pro tem's intent was really city of Austin or Austin area. But I would support kind of a regional approach to that, which

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is what we do, I think, on other city policies. Ann. >> Kitchen: I had a few questions on my list that's on the backup spreadsheet. So on the first item I had was the ability for competition small businesses to participate in the program and obtain stabilization help. I think what you were suggesting here is -- can you -- I wasn't quite sure I understand -- there's no amended language for this. I understand that. But could you describe -- I'm not sure I understood the note here about a new program to address retention stabilization would primarily be created from the developmental location enhancement programming. Could y'all speak to that for a moment? So are you saying that this kind of program would be added to the locational enhancement program? Is that -- is that what -- >> Correct. The councilmember is looking at the chart that we provided that reviews the amendments that were made to the document for the business expansion program that we provided on August 9th. >> Kitchen: Uh-huh. >> In that document we look at the ability to provide the stabilization program, directly addressing commercial affordability issues that we're hearing from our local small business base and a lot of our cultural and creative venues as well. Yes, the response we provide says that we would look to thread that type of resource through the location enhancement program. >> Kitchen: Okay. All right. So when that comes back to us, that's when we would see that kind of thing. >> Correct. >> Kitchen: Okay. Then the next one is the bonus criteria should include points for local small businesses. I just wanted to verify that I'm understanding the responses, thinking that will be handled through the budget process, and that -- let's see -- allocating a

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certain percentage of the program funding for local small businesses -- that makes sense to me as an approach. It is something that I will want to do, though, during the budget process. So, you know, instead of worrying about -- or being concerned about what the point scoring will produce -- because the point scoring doesn't give the kinds of points that would ensure that you would get small business just because of the way it's set up, I'm happy to have that allocation or target allocation, we could do it either way, identified through the budget process. I just wanted to make sure we were all on the same page with that. Right? >> Correct. >> Kitchen: Okay. >> As we look at the portfolio approach for all these different programs, I think we'll be able to better identify programs that we can support through the budget process for our small business base. And so you'll see more of that develop as we bring forward

that portfolio. >> Kitchen: So, now, we have in this budget some dollars allocated for this -- for these programs; right? So this is just to let my colleagues know I'll be wanting to insert a target percentage for those -- for that dollar amount. I'd be curious what you all think would be the appropriate target, so -- does that make sense? >> As a percentage? >> Kitchen: Yeah. Not a dollar amount, just a percentage. And the idea is to make sure -- to double-check for us and make sure we're getting small businesses engaged. Then the next one was the date on the locational enhancement program. So I'm understanding that the amendment just relates to returning to the council with periodic updates that will begin no later than December 2018. So I guess that's because you guys, at this point, are just not sure how long it'll take to develop that program? Are you not feeling comfortable with the target date at this

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point? >> We would like to push that date back just a little further. I think we've identified -- >> Kitchen: Okay. >> -- December as an update because we do need to initiate the scope for being able to provide the study. >> Kitchen: Okay. >> -- That will allow us to assemble those programs. >> Kitchen: Well, do you have any sort of idea -- because if I'm understanding correctly, the description of the local enhancement program would come back to us just like the other one. Okay. Do you have any sort of timeline in mind, generally timeline? >> I think we could probably better provide that timeline in December when we give you an update so that you can better understand where we are in the process of studying the issue, maybe return any of those findings to you as well, just give you a prompt update and a better timeline for when we can come back with the proposed expansion -- I'm sorry -- the proposed -- >> Kitchen: Okay. My concern about that is the locational enhancement program -- we can deal with this -- we've had some conversations, but the locational enhancement program is the program through which we can work on creative spaces, and I was really hoping to get that started this fiscal year, but I understand that there's a process that you all have to go through. So just for my colleagues, I'll be talking through the budget process about identifying some sort of -- some initial ideas -- well, sort of emergency or immediate funds to help with creative spaces, thought that this program is going to take a while because it sounds to me like we may not even get this program up and running this year. >> Included in the budget, we do have an extension of the art spaces program so we'll be able to identify some immediate needs. >> Kitchen: Okay. >> We'll also be looking to come back to council for update in our musical venue program to assist with those venues as well. There's also conversations and expanding the parameters for that program, not just updating the guidelines, but really focusing revenue generation, and potentially not just focusing in on music venues but other creative establishments as well. So we'll be coming back to you

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with those two items as we set to come back with an update in December on the full program. >> Kitchen: Yeah. That's a little later than I'm interested in. We've been talking some and we can talk about

it offline because this is really a budget item now, not this particular item. I'm fine with this kind of language in this. I'll just want to continue working with you all to get started on some immediate funding for these creative spaces, like in October. So -- or as soon as we go through our budget process. So -- okay. Then my last question -- well, let's see, I think that may be it. Oh, my last question that I think I clarified this, I just want to make sure I understand. So we had some conversations around councilmember Casar's amendments, I think, that relate to the waivers and the benefits that are in here. And my question really related to access to health care benefits. And I think I'm remembering that those are -- that that's in here and that's not something that would -- that could be waived? Did I remember correctly? Because we had started to ask about that before this came up last time, and so -- we can take it offline if y'all are not -- >> No, I can just talk about it. >> Kitchen: Okay. >> What we talked about, health care has always been a fundamental sort of foundational thing related -- I'm sorry, by the way, John hockinyos. It's always been a foundational thing, as part of doing incentives, and what we talked about doing is sort of in the modern world, access to health care comes in a variety of forms, and increasingly you were finding companies who are financially enabling their employees to go out, for example, and buy health insurance on the exchanges. So we tried to write the language in a way that said, as long as

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you're facilitating access to health care, and you can document that, then that's okay. If you give people a stipend to go buy health insurance and it's not \$12, you know, that that -- it's not a hard requirement to have employer-sponsored health insurance. >> Kitchen: Okay. >> That's the idea. >> Kitchen: Okay. So that's in there and that's not a waiver item. >> No. >> Kitchen: Okay. Thank you. >> Mayor Adler: Alison. >> Alter: Thank you. I wanted to also support councilmember kitchen and her desire to have funding for creative spaces sooner rather than later. I want to go back, though, to what we were just discussing, Ms. Kitchen, with the health insurance. It seems like your amendment undoes what they just said so are you withdrawing your amendment? I mean, it sounds like -- >> Kitchen: It's already in there so I'm not going to need the amendment. Yeah. That's what I was asking. >> Alter: Okay. And then I wanted to get some clarification from Mr. Casar. We talked about this a little bit a few weeks ago, but that was a while ago, so I want to make sure that I'm understanding. So in your second bullet, you said that for economic incentives provided to higher wage firms, economic incentives shall only be granted to those firms for providing other community benefits other than high wage jobs. Such community benefits would include but would not be limited to achieving the goal of the workforce master plan, bringing austinities up from below 200% of the federal poverty line to jobs that lift them above that standard. So I'm still trying to understand this in practice because the way that we pay out the incentives is based on jobs, and so I'm trying -- I think I understand the intent is to be rewarding them for providing, you know, other things as well, but help me understand how this plays out with the incentives, if we're not providing them further higher

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wage jobs. >> Casar: Mayor? >> Mayor Adler: Yes. >> Casar: I would be interested in the staff's answer to this because I think -- I think councilmember alter and I are talking about similar intent here without knowing exactly how it gets rolled out. I think, though, that it's clear from some number of stakeholders and folks in the community, and I think I share this, that we want to target our incentives and subsidy and city energy towards getting stuff that we're not currently getting very much of that we want, as opposed to targeting subsidy and incentive to things that we seem to be getting a good bit, amount, without this new program. And so it seems to me that we are -- because of lots of other city investments and lots of other things happening -- getting a lot of high wage job growth already in the city without having to put in even more money to get it, but what we aren't getting that much of are some of these other community benefits, things we would like to get more of and would like to incent. I think that's the intent of this, and I agree it's not very clear exactly how mechanically this amendment would interact with the program you've put together. So I'd be interested in how you guys -- what the options might be or how you read this, knowing the intent. >> So I think, actually, it dovetails pretty well with the structure that's being proposed. The idea is that, particularly for larger projects, you're going to go through a scoring process. And the scoring process is the vehicle to evaluate, okay, great, you're bringing, you know, a hundred, \$100,000 a year jobs, that's fine. What else are you doing? And we deliberately said here are some things we will in general care about. One of the things I learned, you don't know what you don't know, and it's nice to hear somebody say, hey, I've got a creative idea, but what if we bring this, then the city gets a chance to throb at that and say, yeah, actually that would be great. So you go through that scoring

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process along the way. The scoring can reflect the fact that if all you're doing is just bringing highway jobs, you may not get a score that qualifies you for an incentive. So it is really sort of baked into the evaluation process of each project. And then the mechanism by which the incentive comes back to the firm can kind of go two different ways. It can go as a payment, as a small percentage of the wages paid. That is one avenue. But, again, the scoring as if necessarily reflect the wages, it -- that's just the mechanism to return money. The other option is a fraction of city property taxes paid as well. So, really, the idea is, I think, very consistent and baked into the overall structure, as to say the city can say pretty clearly, this is how we're going to grade your paper. You know? And write an essay, give us a creative story, but these are the general categories of community benefits we're looking for. Tell us how you might actually bring that value to the community, and then we'll grade it and tell you what you get back in return. >> Casar: Good. So as long as that's the -- what we're -- the intention that we're putting up front, then I feel comfortable with that sort of answer. I'll be interested in councilmember alter's and others' thoughts on this, but for me, it's about putting that intent up front, I see lots of development pros and frankly some cons about somebody bringing hundred-thousand-dollar jobs. But if somebody said all I'm doing is bringing 100, \$100,000 a year jobs, my intent would be to signal, that probably means if that's all your doing, you're not going to be able to compete compared to the other people. >> Alter: So if I might, mayor, so one of the things that I'm trying to understand I had how this then

interacts with those cases where the state is providing incentives and we need to be providing -- or we're being asked to provide a city incentive

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to match that where it's usually a whole lot of money from the state and a smaller amount from the city. And I don't know -- I don't know the right answer to this, but I just want to make sure that, should we choose to provide the matching incentives, that we're not in some way precluding our ability to do that. It seems like what we're saying is, even if you're going to get these state things, we're not going to give you the matching amount unless you're doing above and beyond the jobs? And I'm comfortable with that, I just want to make sure I'm clear on what we're -- >> I think that's a decision. Right? And that's a decision, really, at the end of the day, for this body, is to decide whether substantial state-matching funds -- and if I remember right, it's typically on an eight-to-one basis -- could be defined as a community benefit. That's a definitional question. If you chose to do that you could bake that into the guidelines given on the scoring and say, for these purposes, we will count state matching funds as a community benefit. If you choose not to, then you send the message that, hey, you've got to put something else on the table. We're not just going to do it to allow you to leverage money from the state. That's a decision for the city of Austin, really, at the end of the day. >> Alter: Okay. Let me think about the implications of that. Appreciate that. And then, Mr. Casar, the part that says, I further move that the bonus qualified for category 1 and 3 and return on investment including community benefits for category 2 in the business expansion requirements be amended to give bonus plans as follows. So they're bonus qualifiers for 1 and 3. What is -- I didn't quite follow what you were doing with category 2. I understand the bonuses, but I wasn't sure, like, where in category 2 that that was -- >> Casar: Yeah. So I think I'd have to have the

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whole thing in front of me, but I think the bonus -- I think the bonus qualifiers are listed in 1 and 3 because that is where it made sense in the documents, I think. And I think that that was just the staff looking at where the bonus qualifiers existed, the document. But remind me because at this point it's been so long that -- but I think when we put this together that in category 2, it didn't make sense for qualifiers to be in there. >> We would include this information under category 1 and category 3 for the expansion projects and recruitment projects as well. >> Alter: I was trying to understand -- >> Casar: Remind me why? Because it's been a little bit longer. Remind me why it doesn't fit into category 2. I'm sure there's just a logistical reason. I think category two was already -- >> Yeah, a review of the categories, category 1 is looking at our expansion projects internally, looking at small, medium, and large types of projects. Category 2 is looking at opportunities for employment, especially with those who have economic developments or barriers to joining the workforce, and then the third category is a recruitment category. So looking at how it is we can incentivize or be targeted to incentivizing for jobs that would pay employees lower -- those that are lower wage or lower wage sectors would primarily fall

within the scope of 1 and 3 because it's already captured in category 2. And then looking at extra incentives for businesses that are looking at co-ops or managed programs, we would like to pretty that as a bonus in category 1 and 3. >> Casar: So it's essentially that 1 and 3 have to do with businesses and this amendment has to do with what kinds of businesses we want to give extra attention to. >> Correct. >> Casar: Category 2 doesn't have

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to do with specific businesses so it didn't make sense there. I think that's the issue. >> Alter: So it's not applying to 2, it's only applying to 1 and 3? >> Casar: I think 2 is looking at employees and workers and 1 and 3 is looking at businesses and we're trying to figure out how to incentivize co-op businesses or businesses that are going above and beyond in the lower wage -- traditionally lower wage sector, so, hence, it really has to do with businesses and not employees, that's why it fits in 1 and 2 -- or in 1 and 3 and doesn't make sense for 2. >> Alter: Thank you. Also, for Ms. Pool, I wanted to clarify, and with staff, as it stands, for the medium, they're still coming to council, but there's an extra step from a prior meeting. The medium ones are still coming to council and there's still testimony but there's just not a prior hearing on another date, so I -- I just -- there was -- it sounded like we might be complying that we weren't approving the medium ones, but we are approving the medium ones, and people will have an opportunity to have testimony on those. You're proposing that in both of those cases, that we have the extra step of the public hearing? Is that correct? Okay. Thank you. Those are my questions. >> Mayor Adler: Okay. And I got an email, since I wasn't clear on my comment earlier on that, too, with respect to the pilot program, I'm not sure -- I understood that what I would be in in favor of would be monitoring them for a period of time to see what's happening, as opposed to a pilot program where the pilot was creating the additional hearing. But what I would support would be keeping it the way that it is, but having a report back so that we can gauge whether or not we were missing opportunities that we needed. >> Pool: And thank you. I understand what you're saying, I understand where staff is coming from. We've had some instances recently

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where we have had contracts with organizations that we've -- have been either continued or decided that we won't contract further with them because of things that happened between the beginning of the process and the time when it comes to us. And I think knowing that that can be a fluid time with regard to actions and things that are said or done that are outside of what council controls, that it would give the community an opportunity to come in and weigh in on rather larger grants, should something have transpired that otherwise wouldn't have come to our attention. So I just want to be really kind of sensitive and aware, and the monitoring -- I don't think -- I don't know how many, we don't know how many grants we'll have in this category. It may or may not be cumbersome or burdensome to us, but I would like to leave -- we can talk about it more on Thursday, but I would like to leave that door open just so that we can have a period of time where we can just test it out if we're making any final

decisions. >> Mayor Adler: The other question is what's the default, the default, the extra hearing for that period of time, or is the default not monitoring it? The other one you had was automatic sunset after five years or five-year sunset unless council extends it. I have no problem with it coming back to council, but the default sunset is something that I'd be concerned with because I just don't know how you plan for that. And if we were going to at some point in the future take this down because it didn't work, we would just at that point I guess figure out how you transition into that. So I would prefer us to set a hard stop where we did an exhaustive analysis, but not a sunset absent action. >> Pool: Are you talking about a five-year reassessment of the

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programs or termination clause? >> Mayor Adler: A five-year recessment I think was good. My understanding is that this might have had something that the council had to approve it before it could be continued. >> Pool: Uh-huh. >> Mayor Adler: And I wouldn't put that in because I think that takes away the certainty that enables someone to be able to commit long-term. >> Pool: It also is an incentive to continue to adhere to the precepts of the program and incentivizes good actions on both sides. >> Mayor Adler: I think we should do that, and I have no problem with doing the five-year review, it's letting someone that comes in that knows they're going to be doing everything, and if they do everything they were supposed to do, they should know it's going to continue, rather than having it at the understand of five years where it goes away unless it gets continued. I agree on the purpose with you and I agree on the intent to make sure that's happening, and I believe in exhaustive oversight, the community would be able to see how everybody is doing. It's, again, just the default ending of the program absent an extension. I would say in five years -- in fact earlier than five years I would be comfortable with -- it's the -- it's the five years that has to be an additional action for a program to continue. I think is problematic. >> Pool: Must approve continuation. Let's have our offices get together on that before Thursday. >> Mayor Adler: Sounds good, thank you. Mayor pro tem. >> Tovo: I just wanted to give a heads-up I distributed amendments last week and you noted I think there were six of them. My staff have met with our economic development staff and have made adjustments and are in the process of finalizing those. So when you see the revised ones, that's where it comes out of the -- from the feedback from staff. >> Mayor Adler: That's something you'll think you'll be able to get to us either today or tomorrow. >> Tovo: They'll be in the main similar ones I distributed and we're working toward that outcome of making them available.

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>> Mayor Adler: Thank you. >> Tovo: We may get there. >> Mayor Adler: Okay. Jimmy. >> Flannigan: Councilmember pool, when you were talking about your thoughts around sunset, you said making sure both sides. I don't know who the sides are on the policy. Because if we're talking about the agreements we make with incentivized company, then they have to comply by that agreement. Can you at the point me understand what you mean by that? >> Pool: No. It's basically what I said. Circumstances change and

it could be things change that the council doesn't want to continue a particular program that they've already agreed to five years earlier. And we should -- we can't actually stop a future council from doing something or not doing something so it leaves the door open for that. It's just standard policy. >>

Flannigan: I mean it's not standard policy to sunset I think is the point, at least not for the city. I'm not opposed to sunset provisions or exploring what a process might look like but it felt like what you were saying was that somehow city staff and the council are two opposite sides of a program and I don't think that's what we're saying. >> Pool:well, I know the documents already have a statement that contracts will be grandfathered and assessment of. >> The videographer: Will be the individual projects not the programs but I'll be talking about that -- our staff will be talking about that further before Thursday. >> Flannigan: All right. >> Mayor Adler: Okay. We ready to move on to the next item? Great. Thank you all very much. Hopefully this will go easily on Thursday. Mayor pro tem, you pulled item number 62. >> Tovo: Yes, mayor. Thank you. So as I think all of you know and many of you were there, the sobering center opened last week and it's just going to be a terrific resource in our community [no audio]
Interlocal

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agreement and the amount varies from the amount that we earlier committed to. And so we need to resolve that discrepancy. And so I asked the staff -- the staff and I have been going back and forth on this issue, but I thought it would be valuable to have this conversation here at the work session but also to get an update on where we are on that, and I know our public health director is an ex officio member on that board so she's well poised to answer our questions. >> Good morning, Stephanie Hayden, Austin public health. Yes, you are correct. On the agenda for item number 62, we are preceding -- proceeding for the amount of 1.123359 in our request. There are some carryover funds from this current fiscal year for our '18 that they're going to be able to carry over. We estimate that to be about \$200,000. In addition to that, our staff have been working with the executive director, Rhonda, and looking at some additional funds that may be able to cover fy19. She has applied for a state grant and has secured that grant. And so that is estimated at \$600,000. And so one of the things that we are looking at is because the estimates that were originally projected were -- came in much more expensive than we had anticipated, so as with any new start-up you can estimate what you may -- kind of project what the expenses are going to be but once you start to really move forward in that process you do discover things are

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more expensive than they were originally projected to be. And so the department will continue to work with her on her budget as we're moving through fy19. And we will come forward in fy19 fully operational year. >> Tovo: Thanks. I think there are two -- as I understand there are two different gaps. One is the gap between the budget that the board just passed and kind of what the city had committed to fund, but the gap -- the gap that I'm especially interested in closing right now is the gap between

what the city committed to the sobering center it would provide in terms of funding and what is on our agenda. And so there -- I think it's terrific. I had an opportunity to meet with the executive director, and I serve on that board so I was aware of the grant and I'm very glad that, you know, she's doing exactly what we had talked about, which is to seek other funding opportunities. That will help close the gap between the actual -- you know, what -- as you said, what they're determining now that it's up and operating are the actual expenses compared to kind of what looked like what they could be, you know, a couple years ago when we were operating in a -- with less information. But, again, it's really just not clear to me how we ended up with an interlocal agreement on our agenda that doesn't match what the city committed to provide in terms of funding. And if they're able to close that -- if we're able to cobble together and identify enough funds to get us through this year I think it's still very important that we honor the commitment that we made to provide a certain level of funding for the sobering center. And so I guess that's -- if you have information about how we ended up with that gap that would be helpful, but I think what I heard was a commitment to make sure

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that we're providing our functional level that we committed to in future years. >> Absolutely. So the budget that was approved by the board was about \$2.1 million, as you stated. And so staff met with the executive director on Friday, and we were able to look at that budget holistically. There are some things that we have reduced that budget significantly. So at this point even though the board voted on a \$2.1 million budget, we are at \$1.7 million for the budget, a little over 1.7 million. So that's why we are confident that there is -- you know, that we are at a good place as far as this budget is concerned. And so as we're moving through the fiscal year, we will continue to evaluate that. And if additional funding is needed throughout the fiscal year, the department will work with city management on getting those funds. >> Tovo: Okay. Because I believe -- sorry, I don't have the memo in front of me. I believe the city's commitment was about 1.7. Is that correct? So what we've got on our agenda is, you know, substantially less. But the city is still going to honor that commitment if we need to identify additional funding through the year to get it up to that 1.7 we will. >> Yeah. >> Tovo: Okay. >> Mayor, mayor pro tem, absolutely. >> Tovo: Thank you very much. Thank you all for your back and forth on that and your work. >> Yes, thank you. >> Mayor Adler: Thank you. Alison. >> Alter: I was not steeped in this so I want to make sure I'm understanding. So there was a commitment made for 1.7 million a while ago for the sobering center. We are now committing funding that's about \$500,000 less. But that's what you feel

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confident going forward with at this point. Our commitment still stands, and the city manager is saying that he will commit to back stopping that should more money be needed? Is that correct? And this is for the fiscal year '19 budget? >> Yes. >> Alter: So we still have to pass it in the budget, but we're not being asked in that budget to make up the difference at this point in time? >> Correct. >> Alter: Okay. Thank you. >> Mayor Adler: Thank you very much. >> Thank you. >> Mayor Adler: Those are all the pulled

items. The first pulled item we had, Pio, Greg, you weren't in the room when did we pulled it, just noting that with the most recent version it looks like something that might be able to go on consent and we just want to let the public -- aware that might be a possibility. Those are all the pulled items. Yes, Alison, did you have your light on? >> Alter: I wanted to make a comment on an item. >> Mayor Adler: Go ahead. I was about to take us into executive session. >> Alter: Items 20, 21, which are the parking areas by lake Austin, they both can go on consent. I wanted to flag I'm probably going to on consent provide direction to be stepping back to the neighborhood, west Austin neighborhood group, as this unfolds to be having periodic checks with them to make sure it's not impacting the other side of lake Austin in terms of the parking. >> Mayor Adler: Okay. >> Alter: But we could do it on consent. >> Mayor Adler: We'll do it that way. Leslie? >> Pool: I was wondering, the budget testimony on Thursday, we've had a couple calls from folks who were wondering if they could be recognized if they come in in the morning before the 4:00 P.M. Public hearing is slated to begin if they're early? It was pointed out that we're getting into the labor day weekend and some people may want to leave Thursday evening and not to make it -- to make it a long weekend and may not be here into the evening on Thursday, talking about the public. >> Mayor Adler: I think it's set for a time certain at 4:00.

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We had set one that started earlier in the day, this one that was set purposefully to start later in the day. >> Pool: Mm-hmm. To take public testimony earlier if it's set for? >> It can't start before, could start after? >> Pool: There isn't anything we can do or say here today that would allow that to happen? >> Mayor Adler: We have to give 72 hours notice on a change in the agenda. Written comments absolutely we could take if someone writes something down. City council will now go into closed session to take up six items. Discuss personnel matters related to e2, e3, e4, e5, compensation benefits for the city manager, city clerk, auditor, municipal court clerk, pursuant to 551.7781 of the legal code legal items related to e6, November 2018 election, e7, oversight issues related to Austin police department. E1 has been withdrawn. Without objection, it is 9:56 and we will go into executive session. [Executive session]