





MEMORANDUM

TO: Mayor and Council

FROM: Joe Pantalion, Interim Assistant City Manager 
Sara Hensley, Interim Assistant City Manager 

DATE: January 4, 2019

SUBJECT: Waller Creek Local Government Corporation
Response to Council Resolution No. 20180628-121

On June 28, 2018, Council passed Resolution No. [20180628-121](#) directing the City Manager to explore the expansion of the Waller Creek Local Government Corporation (LGC). This memorandum summarizes the findings and recommendations related to adding community members such as those in the Quality of Life Commissions, Parks and Recreation Board and Environmental Board to achieve the following objectives set out in the resolution:

- Ensure sufficient amounts of:
 - philanthropic representation
 - ethnic and geographic diversity
 - financial oversight and integrity
 - community representation
- Assure that design and funding mechanisms will be implemented fairly and ensure positive impact to all citizens of Austin.

Background

In April 2011, Council passed Resolution No. [20110428-014](#) establishing the Waller Creek Local Government Corporation to oversee implementation, maintenance and operation of public improvements (collectively known as the "Waller Creek Project") located within or around the Waller Creek District (District). The LGC was established following a series of planning initiatives and actions, such as the Downtown Plan and the Waller Creek Master Plan, which included the input of the Waller Creek Community Advisory Group, that sought to create a vision for the revitalization of Waller Creek and the surrounding downtown district.

The LGC provides a transparent structure to the public-private partnership between the City and its non-profit partner Waller Creek Conservancy (WCC). It is also the formal body that administers the activities of the partnership and that makes sure the funds are spent as envisioned in the Council-approved Waller Creek Design Plan. On April 16, 2014, the Austin City

Council approved a Joint Development Agreement (JDA) and an Operations and Management (O+M) Agreement between the City and WCC that further articulates the roles and responsibilities of both organizations in the partnership. On May 24, 2018, Council approved an extension of the time period for the funds from the Waller Creek Tax Increment Finance Zone No. 17 to be used to fund the chain of parks envisioned by the Design Plan, approved revisions to the Design Plan, and authorized the City Manager to negotiate and execute a revised Joint Development Agreement and revised related Operations and Management Agreement. Staff is working on finalizing the revision to these documents.

Findings

Philanthropic Representation

The WCC is raising funds for the capital construction of the Waller Creek Project as well as for ongoing maintenance and operation. The scale of these fundraising efforts is unprecedented for a park or public open space in the history of the City of Austin. WCC has established a Board of Directors and a Capital Campaign committee, which includes both WCC board members and other members of the philanthropic community, to fulfill its commitments. To date, the WCC has raised more than \$50 million towards the Waller Creek Project and programming in the District.

WCC's appointees to the LGC are directly involved in these fundraising efforts on behalf of WCC and have a long record of participation in community philanthropic efforts. They understand both the challenges and opportunities associated with fundraising and capital campaigns, and their perspective on fundraising is crucial in ensuring the LGC acts in support of such efforts.

Financial oversight and integrity

The LGC is responsible for oversight of the implementation of the Council-approved Waller Creek Design Plan. All capital improvements anticipated by the Waller Creek Design Plan are reviewed and approved by the LGC at public meetings that are posted and open to the public. Accordingly, the directors of the LGC represent the fiduciary interests and responsibilities of the parties responsible for funding these capital improvements.

The City Manager's appointees to the LGC are chosen due to their leadership and technical expertise in project management, budgeting and financial monitoring:

- Joe Pantalion (President), Interim Assistant City Manager
- Sara Hensley, Interim Assistant City Manager
- Carla Steffen (Treasurer), Deputy Director, Convention Center Department
- Rodney Gonzales, Director, Development Services Department
- Lucia Athens, Chief Sustainability Officer, Office of Sustainability

The Waller Creek Conservancy's appointees similarly reflect WCC's fiduciary responsibilities, as well as technical expertise:

- Melba Whatley (Vice President), Chair-Elect, WCC Board of Directors
- Martha Smiley (Secretary), attorney, former member of UT Board of Regents

- Jesus Garza, WCC Board of Directors and former Austin City Manager
- Allan Shearer, Professor, UT School of Architecture, and Director of the UT Center for Sustainable Design
- Rudy Green, attorney, Director of University Compliance Services, UT-Austin

In addition, the LGC has established protocols and procedures that are consistent with the City procedures that ensure complete transparency and accountability for all public funds invested in the project. Meetings of the LGC follow the legal requirements of the Open Meetings Act, and the records of the meetings and the related documents are posted by the City Clerk on the City web site. Project status reports are also published biannually, and a funding plan is reviewed and approved annually at an LGC meeting open to the public. These documents are also published online.

Ethnic and Geographic Diversity

According to Resolution No. [20141211-095](#), the LGC “recommended Council increase the number of the board of directors from five to nine to reflect the diversity and opinions in the Austin community in revitalizing the Waller Creek District.” As LGC directors’ terms expire, considerations for new members will continue to promote ethnic and geographic diversity. Recently, the Conservancy replaced two of its original members on the Board of the LGC and increased the diversity of the LGC Board. The current makeup of the LGC Board reflects this Council resolution. In addition, there are effective strategies for further enhancing the LGC’s geographic and ethnic reach, some of which are outlined below. Based on the actions of Council at the May 24, 2018, meeting, the board is now comprised of 10 directors – five from WCC and five from the City of Austin.

Community Representation

Community engagement has been central to the development of the Waller Creek Project. Beginning in 2012, the launch of the international design competition for the Waller District included extensive public meetings, feedback surveys, and design displays around the community. Since Council’s approval of the Waller Creek Design Plan, the City and WCC have collaborated to host a series of 15 public meetings featuring such topics as park design, park features, concessions, the history of Waller Creek, and programming activities. WCC has augmented these community conversations by presenting project updates at over 50 speaking engagements each year. WCC has presented dozens of briefings to neighborhood associations, organizations, businesses, and educational institutions. Engagement opportunities in 2018 reached over 54,000 community members.

Most recently, WCC hosted its largest outreach campaign to gather feedback on parks programming by engaging the Austin community city-wide at six special events, pop-up outreach at City cultural centers, lunch & learn meetings at housing authorities, and more. Over 50 partner organizations have participated in feedback discussions during this summer series.

The City and WCC will continue hosting feedback opportunities, informing future design and programming milestones, and reporting back to the community on previous conversations. Future community engagement topics may include: Waller Delta & Palm Park design, updates

on Waterloo Park progress, invitations to the renovated Symphony Square, and program planning. Regular project briefings and invitations to WCC events will continue to be presented to neighborhood associations, businesses, institutions, and others.

WCC has formed a new Community Engagement Committee, chaired by WCC Board Member Virginia Cumberbatch, including both WCC board members and diverse community representatives from across Austin. The group will provide community-based input and strategic advice on current and future programs and approach to programming; assist in outreach in diverse areas of the Austin community; and, assist in building partnerships with various stakeholders in the Austin community who will be constituents and partners going forward.

Acknowledging the tremendous amount of community engagement this project has and will continue to foster, there are opportunities to further involve community stakeholders. Beginning in 2019, annual presentations will be offered to the following City Boards and Commissions to gather input and comments:

- African American Resource Advisory Commission
- Asian American Quality of Life Commission
- Hispanic/Latino Quality of Life Resource Advisory Commission
- LGBTQ Quality of Life Advisory Commission
- Parks and Recreation Board
- Environmental Commission
- Downtown Commission
- Arts Commission

Recommendation

The current structure of the LGC, along with the tenets of the JDA and O+M agreements, ensures a robust management framework that provides technical expertise, financial oversight, community representation, fairness and transparency to the public, and accountability to City Council. For these reasons, changes to the current structure and membership of the LGC are not recommended.