



APPROVED
04-16-14

MEETING MINUTES
Wednesday, January 15, 2014

BOND OVERSIGHT COMMITTEE
Regular Meeting

The Bond Oversight Committee convened in a regular meeting on Wednesday, January 15, 2014, at 9:00 a.m. in City Hall Council Chambers, 301 West 2nd Street, Austin, Texas.

Chair Dave Sullivan called the Committee Meeting to order at 9:02 a.m.

Committee Members in Attendance:

Dave Sullivan (Chair), Moses Garcia (Vice Chair)
Tyler Anderson, Paige Hill-Oliverio, Beverly Silas

Committee Members Karen Friese and Jennifer McPhail were not in attendance.

Staff in Attendance:

Mike Trimble, Susan Daniels (Liaison) and staff presenters listed in Agenda item 3 below.

1. APPROVAL OF MINUTES

A motion to approve the Minutes from the October 16, 2013 meeting was made by Committee Member Anderson, seconded by Vice Chair Garcia and approved in a 4-0 vote with Committee member Hill not yet in attendance and Committee Members McPhail and Friese absent.

2. CITIZEN COMMUNICATION: GENERAL

No one signed up to speak.

3. NEW BUSINESS - BRIEFINGS

A. General Obligation Bond Programs Overview:

- i. Mike Personett, Watershed Protection Department, introduced the cross-departmental team of staff responsible for the Water Quality Protection Land Acquisition (WQPLA) Program. Junie Plummer, Office of Real Estate Services, and David Johns, Watershed Protection Department presented an overview of the 2012 Bond Program Proposition 13 and an update on the Open Space component of the 2006 Bond Proposition 2. Mr. Johns discussed the environmental and community benefits of open space. Ms. Plummer explained the WQPLA Program's acquisition criteria, noting that all acquisitions are voluntary. In addition, she highlighted the importance of partnering with the others to complement the expenditure of bond dollars and form a contiguous network of protected land. The WQPLAP has acquired over 27,000 acres in the history of the program, with 693 acres so far funded by the 2012 bond program, and have achieved

approx. 14,400 acres of contiguous protected land through a combination of conservation easements and fee simple acquisition. Ms. Plummer also highlighted that 23% of the Barton Springs recharge zone is protected as Water Quality Protection Land and an additional 6% is protected as Balcones Canyonlands Preserve or parkland. The 2012 Bond Program Proposition 13 is approximately 65% expended.

Jose Guerrero, Watershed Protection Department, presented an update on the Drainage component of the 2006 Bond Proposition 2. Mr. Guerrero expressed that the majority of funds have gone toward Creek improvement projects and property buyout program acquisitions at approx. \$32.3 million and Local flood mitigation projects at approx. \$53.3 million. The majority of funds have been expended and the final projects are under construction and will be completed soon. Per Bond Oversight Committee request, Mr. Guerrero included additional information about the Department's property buyout program, in light of the recent Halloween Flood and public interest in the need to remove properties from flood risk and erosion risks. He explained that the current Buyout Program dates back approx. 15 years and includes properties along Onion Creek, West Bouldin Creek, Williamson Creek, Carson Creek and Walnut Creek. To date, approx. \$36.5 million has been spent on Onion Creek buyouts which represent 483 single family homes and duplexes and was partially funded by the 2006 Bond program. Mr. Guerrero went on to explain that the Department has identified future needs to continue their Creek Flood, Local Flood, Erosion and Water Quality capital improvement categories. Of note is the need for 416 additional buyouts in Onion Creek and approx. 45 miles of Local Flood infrastructure improvements need in the Central Business District, among other identified needs. Committee members requested that they receive a copy of the Halloween Flood After Action Report conducted by the City's Office of Homeland Security and Emergency Management that is currently underway. A copy will be provided once the report is completed.

- ii. Chief Brian Manley and John Daniels with the Austin Police Department (APD) presented the projects to be included in APD's portion of the 2012 Bond Proposition 16. The projects include land acquisition and preliminary design for a new Northwest Substation in Region 2 Adam Sector, a new Mounted Patrol facility and a joint-use Park Patrol/Rangers facility. *Park Patrol/Rangers Facility:* In 2011 APD and the Parks and Recreation Department established a partnership to develop a joint-use facility to house the Park Patrol and Park Rangers. The existing ~10,000 square foot Nash Hernandez building has been identified for redevelopment into the joint-use facility. The project schedule is approx. 24 months for completion and will accommodate 40 APD officers and 20 Ranger once complete. *Mounted Patrol Facility:* City Council authorized purchase of the land in the northwest portion of the city for this facility in 2010. The project will accommodate equestrian accommodations, training facilities and an on-site office. The project schedule will be approx. 24 months. A consultant team has been selected and negotiations are currently underway. The facility is anticipated to reach LEED Silver certification. Benefits of the project will include being able to accommodate up to 24 horse at project completion and will aid in APD's crowd control services at community events, parkland patrol and other activities. *Northwest Substation:* \$5.83 million in 2012 bond funding is designated for the land acquisition and preliminary design of a new Police substation in the northwest portion of the city. Additional funding will be necessary to completed design and construction of the facility. *2006 Bond update:* The joint-use Public Safety Training facility was

completed in January 2011. The Northeast Police substation and Municipal Court project remain to be completed.

- iii. Chief Ken Crooks and Greg Hager with the Austin Fire Department (AFD) presented the projects to be included in AFD's portion of the 2012 Bond Proposition 16. The projects include a new Onion Creek Fire Station that will also house EMS, Phase 5 Locker Room improvements, Driveway replacements at 8 locations, and improvements to Drill Fields and Drill Towers located at the Shaw Lane and Pleasant Valley training locations. *Onion Creek Fire Station:* Land was purchased on December 30th and will allow for a ~9,000 square foot facility. The Department is currently developing an RFQ for consultant selection and a prototype design is in place. The design team will be responsible for meeting department requirements and will be asked to design a building that will fit into the character of the surrounding neighborhood. Stakeholder outreach has begun and the station is anticipated to be operational by Spring 2016. *Locker Room Additions and Driveway Replacements:* Locker Room additions and driveway replacements will be coordinated with other renovation projects to existing stations to provide a "touch once" approach to station construction and will minimize the disruption to AFD activities housed at each location. Stations 8 and 24 will likely be the first stations to receive improvements. Work on Station 8 is expected to begin by Spring 2014 and work on Station 24 by Summer 2014. In addition, the unfunded need for repairs at Station 16 was discussed. Mr. Hager stated that the site will not allow for adequate driveway length to make improvements. *Drill Field and Drill Tower Improvements:* Drill field replacements and drill tower inspection and repair will be conducted at the Shaw Lane (built in 1991) and Pleasant Valley (built in 1973) training locations and will be handled as a single project. Funding appropriations are anticipated in fy2014 and in fy2015. Work is anticipated to begin on Shaw Lane Drill field by Spring 2014. Phasing will be necessary to allow activities at both locations to continue while construction occurs.

James Shamard, Austin –Travis County Emergency Medical Services (EMS) Department, presented the projects to be included in the 2012 Bond Proposition 16, which include EMS Station Bay Expansions to accommodate the larger vehicles necessary currently used to execute their service. Three stations are to receive funding for vehicle bay expansions including Stations 2, 8 and 11. The aging structures at these stations currently do not allow for the vehicles to be parked inside the building. The improvements will also accommodate the additional medical and safety equipment associated with the vehicles and EMS service. Mr. Shamard also presented drawings to illustrate the types of improvements anticipated at the stations and noted that the three locations will be combined into a single project for design and construction purposes. The project is ready to proceed pending funding allocation.

B. 2013 Affordable Housing Bond

- i. Sara Behunek, Capital Planning Office, gave an overview of the 2013 Affordable Housing Bond development timeline and process that began in January of 2013 when City Council passes a resolution directing staff to compile and present information on affordable housing. She also discussed the various public engagement opportunities and tools used provide information about the Bond leading up to the November 2013 election for Proposition 1 in the amount of \$65 million. The ballot measure passed by approx. 61% of the vote and will invest in three primary

areas including rental housing development assistance, home ownership programs and home repair programs. Ms. Behunek also noted that the Neighborhood Housing and Community Development Department (NHCD) is currently working on an implementation plan for delivery of the 2013 Bond Program and will presenting to the Committee at their next meeting in April 2014.

- ii. Kim Springer, Financial Services Department, presented the City Manager's proposed mid-FY2014 budget amendment that would appropriate \$15 million of bond funding to begin delivery of the 2013 Affordable Housing Bond program. The anticipated use of this initial funding is to support the Home Repair Services program in the amount of \$2.25 million and to fund the Housing Developer Assistance Program in the amount of \$12.75 million. She indicated that the 2013 Affordable Housing Bond Program is anticipated to be appropriated over six years and was developed in concert with the current funding the Department has remaining to spend from other sources. Ms. Springer also indicated that the bond sales schedule is offset by one year. A Letter of Recommendation was requested of the Bond Oversight Committee. When asked what would happen if the bond had not passed and the impact to the affordable housing programs, Rebecca Giello, Neighborhood Housing and Community Development Department, explained that the programs would not receive funding at the levels anticipated with the bonds and opportunities for time sensitive partnerships might be forgone. She also responded to a question regarding the outcomes of the 2006 Bond funding dedicated to affordable housing, stating that Prop. 5 received \$55 million in voter- approved funds and was able to leverage approx. \$190 million, in addition to other economic and social benefits.

C. General Obligation Bond Programs Update:

- i. Susan Daniels, Capital Planning Office, reminded the Committee that the quarterly Bond Programs Report presents a combination of financial status of the active Bond Programs, highlights of program-level activity and status updates of select projects funded through the 2006, 2010, 2012 Bond Programs. She then turned it over to Sara Behunek, Capital Planning Office, to an overview of the current Report that includes information through the first fiscal quarter of FY2014, which ended on December 31, 2013.

Ms. Behunek explained that the amount of funds expended in the first quarter was just over \$52 million, with the 2012 Bond Prop. 13 water quality protection land acquisition in Hays County as a major contributor to that increase. That transaction brought the amount of funds expended for Prop 13 in the 2012 Bond Program to 65% from 4%. She also explained that in the first quarter, funds from 2012 Bond Prop 14: Parks and Recreation; Prop 16: Public Safety; and Prop 17: Library, Museum and Cultural Facilities began being expended. The push to spend out funds from the 2010 Mobility Bond continued in the first quarter. Expenditures for Mobility Enhancements rose 15% in the first quarter, from 58% to 73%. Also notable is the Pedestrian/ADA/Bikeways category, in which expenditures rose 11%, going from 63% expended to 74% in the first quarter. In addition, Ms. Behunek noted that the Colorado Street project, which included full street reconstruction between Third to Seventh streets, is now substantially complete and the Art In Public Places (AIPP) pieces are being installed. The Third to Seventh street segment used 2006 and 2010 bonds. The Seventh to 10th street segment is currently in design and is being funded with \$5.6 million in 2012 bonds. This use of funding

from multiple bond programs is common among transportation projects. For the 2006 Bond, she drew attention to the recently opened Del Curto Pocket Park. There is a write-up on page 14 of the Report. This is a new park, about 2 acres in size, located near the intersection of South Lamar Boulevard and Manchaca in South Austin. The property is 2 acres of mixed open space and mature trees. A portion was purchased in March 2009 with parkland acquisition funds and the city was able to leverage bond dollars with the remainder dedicated as parkland by the developer. The park also places the City closer to its goal of having a park within a quarter- to a half-mile of every household in the urban core. An update on the 2013 Affordable Housing Bond is not included in this Report as funds have not yet been appropriated. However, in the next report you can look forward to an update.

4. NEW BUSINESS – ACTION ITEMS

No citizens signed up to speak on specific items below.

- A. Committee’s Letter of Recommendation to City Council regarding mid-FY2014 Proposed Bond appropriation and Sale Schedule Amendment:** A motion to support the proposed \$15 million appropriation amendment was made by Committee Member Anderson, seconded by Vice Chair Garcia and approved in a 5-0 vote with Committee Members McPhail and Friese absent. The Committee further requested a presentation on the use of GO bonds by the Neighborhood Housing and Community Development staff at a future meeting.

5. FUTURE AGENDA ITEMS

- 2013 Affordable Housing Bond – proposition presentation by sponsor departments.
- Transportation/Mobility – Corridor Development Program update (including IH 35, Lamar/Burnet, etc.)
- Operations and Maintenance impacts of Bond program implementation
- Dove Springs Recreation Center project update
- 10-1 representation and impact on Boards/Commissions
- Other items as requested

6. ADJOURN

- Chair Sullivan adjourned the meeting at 10:42 a.m. without objection.