

Regional Affordability Committee Meeting Transcript – 05/23/2016

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[15:02:13 PM]

I think we have a quorum. I'm Delia Garza, chair of the regional mobility committee. It is 3:02. We're in boards and commissions. I'll call the meeting to order. The first item is approval of the minutes so I'll entertain a motion to approve the minutes. Moved by councilmember troxclair seconded by Mr. Chadwell. All those in favor of approval of the minutes say aye.

>> Aye.

>> Any opposition? That passes 7-0. The next item would be citizens communication and I don't see any -- are you here -- no, you're here with Mr. Chadwell. Okay.

>> It's my sister center San marcos. She's very interested in this kind of stuff. I invited her to come.

>> Garza: Thanks for joining us. I don't believe we have any citizens signed up to speak. I think we'll have a pretty quick meeting today, just for those for planning purposes. Next item is the presentation and discussion on the status of the city of Austin tax challenge -- tax challenge petition. I can't talk. It's Monday. And I believe Jim wick from the mayor's office is going to go over the current status of the challenge. Thanks for being here.

>> Madam chair, Mr. Vice-chair, members of the committee, thanks for having me today. I just want to briefly talk about the appraisal challenge lawsuit. I'll start with just a brief timeline, kind of how we got to this point. The current status is it's under appeal, in the third court of appeals. That appeal was filed in January between, but prior to that in 2015, in may of 2015, the city council voted to challenge the appraisal role of all F 1 and C 1 properties in the entirety of Travis county.

[15:04:21 PM]

F1 properties are commercial properties and c1 properties are vacant properties. It was based on a study that was ordered by the council in 2014, which that study came back in may of 2015 and showed that 27% of commercial land values -- that commercial land was undervalued by 27%. Vacant land was undervalued by 76%. That report was used as a base to file the challenge with the Travis appraisal review board. That challenge was heard in may and dismissed by the appraisal review board as part of an effort to mooch the challenge to district court. The city had 60 days to appeal and moved to district court. That happened in June of 2015. In November of 2015 the lawsuit was dismissed by the district court. The judge stated without merits to the lawsuit, but said that the city didn't have standing. In January of 2016 the city filed an appeal and that appeal has three major points to it. The first is who are the proper parties in a lawsuit that results in a petition challenging an appraisal role? That's a question that hasn't been settled. Who is the proper party to challenge the constitutionality of the tax code, is it a

city related to the equal and uniform provisions in state law. And finally, what happened does it mean to exhaust the administrative remedies of an appraisal role challenge. Those are three questions that the city has asked the third court to rule on. Where we're at right now is the parties are gathering documents. The appraisal district is writing their response.

[15:06:25 PM]

That's due by the end of June. At some point in the fall the case will proceed. The city's attorneys have asked for oral arguments and the court can basically take it up at any point after June. It's expected to be some time in the fall, though we can't really say for sure. There's no date set for that and that's kind of at the choosing of the court. That's where we're at and I'd be happy to take any questions related to the challenge, with the caveat, of course, that I'm not an attorney and this case is currently ongoing under appeal.

>> Mr. Chadwell.

>> I think all very interesting. The city sued the appraisal district, it was dismissed and now you're appealing it, exhausting remedies. And it goes to June and then 76% undervalued for vacant property, so a vacant lot here downtown is only 24%.

>> Vacant lots are on average undervalued by 76%.

>> That's outrageous. And commercial properties undersignalled by 24%?

>> The previous challenge was 27%. Post appraisal challenge they found about 40 to 45% undervalued, since almost every large commercial property value is challenged as a matter of course in Travis county. And so 40 to 45% after the challenge process is concluded.

>> In Travis county we don't have nearly that -- in Williamson county we don't have nearly that disparity, but I always think -- homeowners have to pay that difference. So thank you.

>> Garza: Anybody else? Go ahead, commissioner Shea.

[15:08:26 PM]

>> I'm not an attorney either so we may be pooling our ignorance here, but on appeal has been assigned to a judge or has that happened once they schedule it?

>> It has not.

>> So we don't know. We're loose looking at the family. One is just a sale that happened recently and whenever the sales price is made public it gives a spotlight on the discrepancy on the value of a commercial property in particular and the appraised value. And there's a lag time, but one of the most recent properties that sold was the Radisson downtown at the corner of Cesar Chavez and Congress and it sold for 130 million, but was appraised for 54 million. Those kind of discrepancies are really what raise the ire of a lot of residential homeowners whose property is in general appraised at around 98, 99% of its market value. To me it raises the argument even more fully about the need for sales price disclosure and since the main objection that they had was that they might be taxed and that is permanently prohibited by a state institutional measure, I think it's time that we take action or the inequity will be intolerable for homeowners in particular. And the other piece of this is we did a study at the county level just looking at what was happening with the discrepancy between the original appraised value and the final appraised value after protests, challenges, lawsuits or threats of lawsuits. On just the Waller Creek TIF property it was kind of a microcosm for us to think what's happening here, what's the disparity.

[15:10:33 PM]

And in 2015 the difference in valuation between the initial appraisal and the final was 45 and a half million dollars, just on the commercial properties within the waller creek tunnel tif. So that's a little slice of downtown real estate and I'm not blaming the commercial property owners. I'm not saying they're bad for using the provisions in the law that legally allow them to say that a comparable for consideration it should be between an H.E.B. And a meat market or a Jc Penney's in Austin or in Idaho, which is what they're legally allowed to do by law, but to me the problem is the law and the need for an absolute reform at the legislature.

>> Do you have any questions about the challenge?

>> If anyone has any questions I can show you the study we did at the county. It's just a slice, but it shows you some.

>> You said this, but if you don't mind again because I'm trying to get it in my head, the grounds that it's being brought on appeal, can you read those to me again?

>> Yes. The city is asking some questions because the case was dismissed for essentially lack of standing. The city is asking who are the proper parties in a lawsuit that results from a petition challenging an appraisal role. That's the first one. The second one would be who if not the city, then who is a proper party to bring a challenge or to challenge the institutionalty of the tax code related specifically to the provisions of equal and uniform. And then number 3, what does it mean to exhaust the administrative remedies in a challenge petition before proceeding before the appraisal review board.

[15:12:42 PM]

>> Kitchen: Basically it will get us to threshold questions -- they're not the core questions we were bringing, although it is interesting if we are able to come out of this understanding who has standing, then we're essentially -- part of the question is what is the route to question how this whole process. So it could be a very useful decision. It's not going to get to everything we want, but a useful decision, but it will take awhile. Okay.

>> Actually, madam chair, because I'm not a lawyer I need to ask a lawyer for this. Once the standing issue is addressed would it then be sent back to the lower court to --

>> Kitchen: It depends. It depends on whether we lose or win on the standing issue.

>> Let's say we were to win. So they would only be ruling on the standing issue and we would have to go back to probably the lower court to address the issue of the equity.

>> Kitchen: But it does give us -- it does -- part of the question in starting down this road is how do you question the constitutionality of these questions. So that does give us some clarity on what the route is for local government to challenge these things. So inherent in the standing is some of what we needed to know.

>> Just from a purely technical standpoint because you have quite a few entities here that would be doing budgets and setting property tax rates, from what I've just heard regarding the status and schedule, it doesn't sound like it's going to be any type of issue near term in setting in our budgeting and property tax rates or do we know that.

[15:14:42 PM]

>> Kitchen: I don't think so.

>> I don't think so from what I was hearing.

>> Kitchen: Has the court given any indication on when it would rule.

>> The court has not, although it's widely expected to be sometime in the fall. So it will not have an effect on the roll this year.

>> Right. Yeah. Thank you.

>> The question I have is, you know, three school districts represented in here. I don't know. You guys are in the big lawsuit, right? I don't know about del valle. Round Rock was, that big one that was just ruled constitutional and that was a big blow to everybody because it's a terrible finance system and poor Austin has to send a huge number of theirs back to the state to be disbursed. I was wondering if it's the same court or if there's any clue on that because they were not sympathetic to schools in any way and it makes me wonder if they will be the same way with -- was that what your question was? Is that who they would go to.

>> This is at the appeals court. It was the supreme court that ruled on school finance. I think again I'm not a lawyer, but to my understanding is the state funding formula was great and legal to all that as to say not our job to figure out the fair allocation of funding for schools.

>> So it's a notch or two below is what this one is.

>> Right.

>> Well, -- you're very generous your comments saying the business owners like it the way it is. So they're going to protest and they want to keep it equal and urban form rile now because like you said an H.E.B. Can go down to Jose's meat market or down the street in south Texas, the same with pennies or whatever, Jc pennies in Iowa. I know senator Watson worked real hard last session on a bill, I think senate bill 281, but that would have been a great help for all the taxing entities if you get rid of that. I don't know if he will try to bring that up again, but there was a big opportunity, but they were against it because they get their business from customers.

[15:16:49 PM]

>> And madam chair, the other one that would be helpful and this has been going on for decades is the legislation of disclosure of sales prices. I don't know as various entities are crafting their legislative agendas, that would be something worth considering and discussing with others.

>> Actually, that is a great idea. We've had at the commissioners' court, and I suspect if it hasn't already come before your council, it will. A resolution related to a legislative issue that I can't remember now, but their effort was to have a broad indication from governmental bodies of support for legislative change, and I think I said at the time of the hearing, gee, we should be doing this on sales price disclosure. I think that would be valuable for us to consider because it's such a key part of how every level of government funds any service that's provided to residents.

>> Troxclair: I was just going to point out that the reason that homeowners are upset is there's a perception that the business community, the commercial properties are underpaying and that they're overpaying. But the only way to -- if the lawsuit is successful and something does change, the only way that the homeowners actually get to benefit is if -- if the entire tax rate is overall -- is reduced overall so that they see a benefit, they're paying less, while some of the bigger corporate -- some of the commercial properties are paying more. And this conversation started at council as a revenue neutral conversation. Oh, if we can just fix this homeowners will pay less and everybody will be equal.

[15:18:55 PM]

But -- I originally supported the lawsuit, but as it went on I saw less and less assurances that it would be a revenue neutral solution and it instead kind of seemed like some of the conversations turned to well, this will bring us additional revenue and we can do this and this and this. Then it's not fair to kind of capitalize on the homeowners' frustration right now because ultimately if we don't use it to benefit them, then it doesn't do them any good. So I just -- that's obviously a longer term conversation, but I think it's important to keep in mind if we're going to pursue it.

>> Yeah, I would agree that's the reason we went down the road. But there's no decision. We're miles away from any decision about what the impact of it would be. We have to first determine if there's any impact. I don't think there's any determination by the city about using those dollars -- how those dollars would be used at all.

>> Troxclair: I guess I only brought that up because I think councilmember Gallo offered is on my behalf because it was a special called meeting and I was out of town, but I had a resolution to ensure that if we were successful that it would be -- that it would be a revenue neutral tool and that we would in fact reduce the property tax rate in an equivalent amount so the homeowners wouldn't key the benefit. And unfortunately it didn't pass at council.

>> Kitchen: I'm just saying that doesn't mean we would use it in a way that's not beneficial.

>> Thank you, Mr. Wick, for that update. The next agenda item is I believe 4, discussion and possible action regarding the possible transfer -- this is the tax swap. Our finance staff asked if they could provide a written update because they're a little busy preparing for budget work session, so there was a memo sent out explaining that, but if vice-chair Saldana wants to speak to this issue?

[15:20:04 PM]

>> Sure. And I want to thank your staff for putting together just an update. I think we were interesting in getting an update in light of the recent council resolution that you all recently passed. It's my understanding that the city manager is supposed to get back to the city council sometime in November with I guess equitable ways and how we might potentially implement a tax swap scenario. I think we were interested in light of the recent supreme court decision on fool finance. As commissioner Shea alluded to, while it wasn't unconstitutional at this point, the only remedy would be the legislative action. And I think even if the supreme court would have ruled it was unconstitutional, it would have been contingent upon action from the legislature. So in the interim it doesn't really help us in any way, shape or form. As I've said many times here in these meetings, you know, our recapture payment this year is expected to go up 49% to over \$406 million, and over the next three subsequent fiscal years we'll lose over \$2.3 billion. And at this point I think we're certainly committed to trying to find bold and creative ideas, pragmatic ideas, and I think at this point we're open to looking at local options and what we might be able to do. And certainly I think the other issue is I know that when this committee was created I thought that pflugerville ISD may have been invited to participate and I'm not sure if they declined or what, but I know there are two issues. One is the issues associated around equity because there are seven 60's within the city of Austin limits and the other had to do with the impact to senior citizens and those are all valid concerns and I think the conversation regarding the tax swap scenario certainly will continue to evolve, but I think, you know, since initially this group was created to include the largest taxing entities and I'm not sure if pflugerville ISD just declined to be part of this.

[15:22:27 PM]

I know we have representative here from del valle ISD. I just felt it was important for us just to have this conversation. I believe I know our school board members have been making the rounds with councilmembers because obviously we have concerns about funding for the parent support specialist, for the communities in schools, for the family resource centers, all of those things. Our board meets tonight and on our agenda is to talk about the latest budget update from our superintendent. We are scheduled to adopt our budget on June 20th, which means that we will be locked into making some major assumptions, keeping our fingers crossed that we'll be able to look to the city and the county for some help moving forward. And I totally agree and understand that at the end of the day it's in pickup bent upon us to make sure we're good stewards of the taxpayer dollar and more importantly providing a

return on investment of the taxpayer dollar to serve the community, but I think all of us would agree that when we think about quality of life issues there are none or there are very few that are probably more important or as important as education, which really then sets the tone for how prosperous our citizens are, how prosperous the economy is. So I'm hoping in the spirit of cooperation that we can continue to work together to try and find some solution, knowing -- totally understanding and respecting fact that you all have your own budget adoption process, your own budget priority and you have your budget challenges. Certainly totally agree with that. I don't know if trustee Teich. Wants to add to that.

>> We want to reinforce that investing in our kids is probably the best thing we can do so we appreciate any assistance we can from any of the governmental entities that we can. That after school piece is really critical to our kids. I met with a school recently and one of their chief asks was more after school chair, enrichment for their kids because I think this is a good way to close that equity gap for our kids and to assure parents that their kids are engaged in something productive after school.

[15:24:46 PM]

I don't have much more to add than that.

>> Garza: I have a question. I don't know if the other ISD folks can speak to this or maybe Paul knows. What do the other ISD's -- what is their recapture rate? Because the discussion -- there's been discussion on council on whether we fund extra things, and an equity argument of the if we're going to do it for this ISD we should be doing it for another. My assumption would be you guys face a higher capture than others.

>> Austin is the largest in the state is what I understand, still.

>> We now represent nearly 13% of the entire recapture of the state.

>> Austin ISD is by far --

>> When this system of school funding was put into place originally, Austin was actually not part of recapture, but rapidly became one of the school districts that became part of recapture. And then rose to being the number one. As far as our surrounding school districts it really varies. We have surrounding school districts that are districts that are sending money out and we have surrounding school district that are in fact receiving money from recapture. So it is a fix as far as our surrounding school districts.

>> That's the chapter 41, Round Rock, it's all based on the calculation of your total appraised value divided by the student. I forgot the number.

>> Average daily attendance.

>> \$400,000 or something like that.

>> But the only ISD in central Texas that is technically a chapter 41 except for us a eanes ISD, but at this point they do not pay. We are a property rich district, but 60% of the kids are low income, so I think that is an issue. And I would be remiss if I didn't say, and I've said this before, we are absolutely committed to paying our fair share into the recapture, but I think our -- our position is again that we're seeing an increase in the number of low economic families.

[15:26:46 PM]

We have over 100 languages spoken in our schools this these days. We serve refugees from over 40 countries. And then I think the other issue is that there are many families and students that we serve that technically don't meet the federal definition to qualify for free and reduced lunch, but that does not at all mean that they are not struggling. So I think that is what really separates us apart from other ISD's, certainly in central Texas. As I mentioned we're now 13% of the total payment of recapture to the state of Texas.

>> I thought eanes was -- I thought they did send some back, but maybe -- I thought eanes did. But Round Rock does not, even though we're technically chapter 41, but we are fast approaching that. Probably in the next two or three years we will have to send recapture. We're not growing as fast as we used to and you guys are still losing students which creates this disparity. Round Rock will be there eventually, but we've got a long way to go.

>> You have Round Rock, eanes, lake Travis, which is another, you know, higher wealth, and then as I said, you actually have districts that are recipients from those chapter 41 funds that are collected.

>> Our total recapture payment for last year, the 406 million, is more than the entire budget for pflugerville ISD.

>> Garza: Does anybody else have any? I believe for the most part, the memo, if you had a chance to read them, it's not being pursued for this year, but we'll still work to see if we can do something for the next budget year. And I've pushed really hard to increase our funding to health and human services because I know that the programs that help these families, and I mentioned it at budget work session, but I went to community in schools presentation and it really heartbreaking and touching to hear the stories of children who go home hungry on Friday and they won't eat until Monday.

[15:28:50 PM]

In a city as prosperous as ours that we have families in those situations. I'm definitely supportive of where we can, our entities helping each other, where we can, and spreading that help amongst us.

>> Madam chair, I wanted to ask trustee Saldana. It sounded in your earlier comments as though since you all were having to set your budget sooner than everyone else that you were going to make a leap of faith in setting certain budgets with the hope that the city and the county might be able to step up and fill in on the funding of some of these programs. Is that part of where you think the board is headed?

>> Yes, that's correct. Absolutely correct. So our proposed budget that the -- I'm sorry, the superintendent has provided to our board is proposed to be a \$1.3 billion budget. When you subtract the recapture payment of 406 that leaves a little less than \$757 million. And of that \$757 million, 87% of that pays for the 12,300 employees because we're the fourth largest employer in Austin. And that leaves 13% to educate 84,000 kids at 130 campuses.

>> I just have to say I'm so furious with the state. They have a constitutional duty to pay for the education of the children of the state, and instead they're coming into Austin and hurting us worn any other community in the state and I don't think anyone in Austin doesn't want to see the poorer school districts sufficiently funded, but the state is in effect stealing this money from our community and they're not even meeting their obligation to the poorer school districts. So they're not stepping up and doing their duty anywhere from what I can tell. And it has such a disproportionately harmful impact on this school district in Austin.

[15:30:51 PM]

To me it's just scandalous and I find it an intolerable situation. And it makes me wonder if aid has looked at more drastic measures. I don't know what any of them could or would do, but what if aid were to declare themselves an entire charter school district? Wouldn't they get more funding from the state since they seem to favor more charter schools and send funding there. Or what if aid refused to pay the recapture? I'm curious, I think it's almost the point of civil disobedience that state has been so irresponsible on this subject and their proposal for a remedy is to put a cap in place because local governments are spending too much according to them. But under the formula they're forcing the school district to have to do whatever it can to cover the cost of education.

>> I should say that our Travis county delegation on both sides of the aisles have been very supportive and we've continued that conservation. I think our challenge would be at the senate. And until then we're just going to have to be creative and think outside the box. The chief appraisal values increased about 15% above the original projections, but we have a long laundry list of things. So that will be short-lived. We're contemplating giving the highest raises I think we've given in the last 10 years because we're losing so many of our teachers and our staff to the point where they can't afford to live here. We've got teachers applying for subsidized housing and we have over 1100 employees that still make less than \$18 an hour. And I think if we raise the bottom wage, but we serve nearly 3,000 homeless students. I could go on and on.

[15:32:52 PM]

I know you're tired of hearing it, but we're doing all we can, and at the same time also be making sure we're being very diligent and being good stewards of the taxpayer dollars and cutting wherever we can and we'll have to make some very tough decisions, some things are just not going to get funded.

>> One of the things that has come up is a TRE tax rebate program and where you swap your M and O. Some school districts do that. Some -- I've heard some courts don't like that because your M and O money and your --

>> We could do a tax ratification election but 60% of what we raise would go to the state?

>> The m&o, the maintenance and operation you're saying would go back versus your -- for your facilities, your ins?

>> We would lose more. Because you're a chapter 41 there are other things that come into play, for example, transportation. We receive no money from the state of Texas for transportation, so transportation alone costs us on an annual basis a little over \$38 million a year. Because we are a chapter 41 school district. And so there are other things that kind of come into play and because just the needs of our students, we have 100 languages spoken at our schools, we have bilingual special ed, dual language, special education, all of those things require more cost per student. It's made up through the wad of the weighted. It never matches itself.

>> As we know that hasn't been updated in over 30 years and the cost of living index that they have is listed under Killeen ace ISD.

>> We just did our budget and we looked at Austin's and we're always comparing our salaries compared to Leander, all of touching neighborhoods, Georgetown, pflugerville, anybody that touches our school district. And of course we watch what you guys do because, you know, we have to be competitive, but we don't want to break the bank either.

[15:34:54 PM]

We want to be taxpayer cognizant. And good stewards that way. I'm sure at del valle you guys do the same thing, but we all have -- you create this spiral. We have to pay teachers more so they can live there and what does that do, puts more burden on the taxpayers and it goes back to everybody would pay their fair share. And the same thing with us. I don't mind paying my taxes. I don't want to pay anybody else's. And the same with commercial properties, I don't want to pay their taxes and pick up the difference on that. I think it's starting to get -- people are starting to see maybe, maybe make some progress this session. I don't think it will be fixed, but -- and back to the taxpayer neutral, I don't want to see that. I want to create a revenue, a Boone of some sort, but we do need to make sure that we don't create this perpetuating, the way it is right now. It's going to happen to Austin ISD, Austin -- city of Austin, it's going to happen in Round Rock then manor, then Florence, and it's just going to be this ripple effect. Thanks.

>> I'm from del valle ISD. 50% of our students are within the city limits of the city of Austin. We do what we can and go from there, but I want to -- we're huge. It's a big district. Thank you.

>> Do you know if the city funds any of del valle's programs. And has there ever been an ask about del valle ISD.

>> I'm not certain. We would have to get back to the superintendent. I'm pretty certain there's not anything funded by the city and I'll double-check that.

[15:36:54 PM]

>>

>> I want to the ceremony of college commitment at the high school. It was awesome. Is there any more discussion on this item? All right. The last one is our strategic plan that we keep putting off. So since we're almost done, because this is the last item. I think Katherine, did you want to go through it. And if we can -- maybe make some final edits and we can finalize it. I also want to talk about if you have the copy, I think councilmember troxclair is also going to propose some changes to a section of it. I was thinking of moving the context to the mission, but I was going to ask for some suggestions on wording because I think we need something in there I was going to see if we could have discussion on how we could best articulate our mission statement.

>> [Inaudible].

>> No, we didn't.

>> [Inaudible - no mic].

>> Based on your input last time I moved around a couple of things, but it's all there. I categorized them. It's the housing affordability where you guys were talking about the big a. And so in there we talk about the liveable city document, the tax burden stomach that councilmember troxclair just -- the tax burden item that councilmember troxclair just talked about, item 2. Encourage affordable housing and jobs next to transportation.

[15:38:55 PM]

The raising awareness of child care cost and the raising awareness of health care cost. And there was talk about doing -- about smart housing and codenext, and so that got lumped to number six, which is work and engage with future land use and planning tools that will help provide policies that will impact household affordability. And then number 7 is support the creation of the equity office. So that was like the bigger housing affordability. That's the section a. Then section B is affordable and attainable housing, so y'all wanted to split. Last time you told me to split it into two so that's what we did. So in affordable and attainable housing then we have the -- to support housing corporation and non-profits and other community efforts, encourage the creation of permanent affordability in diverse parts of the city. Encourage the use of public land to increase affordable housing and associated supportive services for families. Number 4, support a strategic housing plan that will look at the needs throughout the community. Number 5 is analyze the impact of housing displacement caused by evictions in the city of Austin. Number 6, work with school districts in the city of Austin to determine what mechanism exists to transfer some functions or activities to the city of Austin as long as those functions or activities are served by the city. And then C was transportation, which was another big item that y'all talked about a lot. And so in transportation we have work with different entities to identify key actions to reduce the cost of transportation. Encourage the use of technology to help with transportation challenges in the city of Austin. That's where we have rmi and other things that councilmember kitchen mentioned last time. And work with policies and criteria in place for busing kids to school, which is what vice-chair Paul Saldana had addressed as well.

[15:40:57 PM]

So all the items were there from our initial brainstorm into the second version and now to this one. They just got shuffled into group -- big groups. So again, it's just bigger housing affordability and then transportation.

>> Garza: I will make a suggestion and we can make it more formal. Number 3, busing skids, because that's a kind of different issue, maybe for transporting kids.

>> Transporting, okay.

>> Bad connotation to it.

>> Yes.

>> Garza: So last page, page 7-3, change in place for transporting kids to schools. And I guess if there's no opposition that's -- we'll go ahead and add that. And then I'll go down the row. I think I'll start with councilmember troxclair. Did you want to -- you just want to include your changes in the -- in that section?

>> Troxclair: Yeah. It wasn't really changes. I think our office had asked us to fill out that --

>> What was currently there, which is the draft you have, was a placeholder because I know we were going to talk more about what exactly action item was going to be. And so I passed out the changes that we would have on that section on number two.

>> Troxclair: She asked for action items so this is what I came up with.

>> Garza: So if there's no opposition we'll include those suggestions in the -- okay. And councilmember kitchen?

>> Kitchen: I wanted to -- do we have some recommendations [inaudible].

>> Garza: Your mic's not on.

>> We had some recommendations that came to us from liveable city and I think they just released their report so I don't know that we've had the chance to incorporate any of those that we might want to incorporate in here.

[15:42:57 PM]

So I wanted to suggest -- I wanted to suggest that we could go ahead and adopt this, but I know there's some out of liveable city report that I would want to include. I don't want to slow this down, but I'm not quite sure what process you want to follow for that.

>> I know that's fine. We can -- I assumed we were going to bring back a final next time. So maybe next time include -- I'll get -- we'll get with your office and --

>> I don't know if everybody got the liveable city report.

>> It was sent out this weekend. I did see an email about that, but it was just announced. I don't think --

>> Kitchen: Just now announced. I haven't had the chance to think through everything to include. Okay. So between now and --

>> Garza: Sure.

>> And I can work with your office, like councilmember Garza said, like I did with councilmember troxclair.

>> Kitchen: Okay.

>> Just to be clear on the -- sorry. On the item 2 language, it will be added to, not replacing the existing language for item 2 under housing affordability?

>> Garza: Item T under a.

>> Under housing affordability? It will be adding to and not replacing, am I understanding that correctly.

>> It would be replaced, not added.

>> Garza: It replaces. This one replaces 2 here.
>> I'll want a little bit of time to think about that. Are we voting on this now?
>> Garza: We're just going over it now because I'm hoping that we can finalize it by our next meeting.
>> So this is a proposal to substitute for. Okay, good, thank you.
>> Garza: We did -- we kind of just agreed that -- I thought we did. I said if anybody has any opposition to replacing these two and nobody said anything. Do you have concerns about replacing?
>> This seems to be just focused on the cost of government, and I think that there's a broader concern about affordability than the cost of government services.

[15:44:59 PM]

So I would like for us to have a more inclusive set of criteria.
>> Garza: Well, I think that's addressed throughout the first paragraph. I think -- this is specific to government, cost of government. Number 2 is by itself. But the other points kind of addressed the broader affordability issue.
>> She hasn't changed the title from cost of government services. Okay. So that then is just a focus for that item. Okay.
>> But each of the other bullet less will be examining them and on liveability, the liveable city recommendations.
>> Garza: Yes. I think that's the context that councilmember kitchen wants to add.
>> I do have a concern. I'm sorry I didn't catch this earlier. I do have a concern about identifying cost reduction opportunities by consolidating services, contracts and/or benefits, which I assume means outsourcing. So I'd want to have a better understanding of what was intended there before I do finally agree to, unless we amend and revise it when we come back.
>> Garza: Sure. Do you want to speak to what you mean by that? Councilmember troxclair?
>> Troxclair: Sure. Like I said, we were just asked to come up with some brain -- brainstorm some potential action items. Of course this document isn't committing to anything and that particular bullet doesn't say anything about outsourcing, but we're all -- we all have government employees, they all receive somewhat similar benefits. I think that that was one suggestion of maybe we could look at collaborating between government entities.
>> I'm definitely interested in collaboration. I didn't catch that from this -- if we can add the word collaboration that would be helpful for me. Okay.
>> Garza: Okay. We can add collaboration for that. I saw that one more as we talked about like shared facilities and for example, the parents -- the parent support specialist.

[15:46:04 PM]

My understanding is it's possible that the county might be helping out with that too. So that's a consolidation of providing the support for that service, for the parent support service.
>> I'm definitely in favor of that, but some of this language looked to me like saving money by outsourcing where -- where we wouldn't have to pay benefits and pay living wage and that kind of thing.
>> Garza: Do you want to send my office some suggested --
>> I'll take a look at this.
>> Troxclair: I guess I want to point out that it doesn't say outsourcing anywhere.
>> No, it doesn't say it, but if we're looking at cost reduction on benefits, the main way that's been done is by not having people be employees and receive the same benefits, which is outsourcing. So that's what I was concerned about when I saw this language.
>> Garza: Okay.

>> Can I add to that? And just add that I kind of agree with commissioner Shea. I want to maybe just clarify because on the tax swap analysis the city manager provided he refers to the consolidation and parent support specialists and the way we interpreted that is he was recommending that that service be outsourced and they would no longer be aid employees and we were not comfortable basically telling potentially 60 or 70 employees that they would no longer have a job with the school district.

-- Have a job with the school district. I wanted to clarify.

>> And I wanted to talk about the conversation at the beginning. All of you guys had talked about working with different entities, collaborating, like you said. So maybe we can use some language about that. But accountability on affordability was part of the initial bullet point. So if you guys can help me with some of the wording that would be very helpful.

>> Garza: Sheri?

>> Thank you, madam chair. This is only my second meeting as a member of this committee so I don't have the history with this document that some of you do.

[15:48:08 PM]

But I will take some time before the next meeting. I think that, for instance, under -- first of all, the strategic aims and objectives, are we looking forward or are we also summarizing information we've already received? Because some of this talks about things and you say, you know, it looks like it's already occurred and then some of this is forward. To me a strategic plan talks about our mission, our goals, our objectives, our strategies for the future. So I just didn't know --

>> Just a little bit of history. This started about two months ago. So some of these items were already taken care of. Like the liveable cities and all that were part of items already coming forward. Does that answer your question?

>> So to me as far as the strategic plan, I would think that I would maybe want to more focus not on kind of a checklist of things that we've done, but talk about moving forward our goals. And I think that we could talk about not just working with liveable city and incorporate some of that from their report, but housing works and other entities so that this is more robust as far as strategic plan going forward and not as much as, you know, a checklist. So that would be an overall recommendation.

>> That's good feedback.

>> That I would have. I would be happy to put some work to it. I think there was also an area where we could have mentioned workforce and another one like we could have mentioned health care in here. And I also think there's opportunities with -- there's a lot of research that I've been involved in with not just central health, but with UT, various departments that I can bring to bear in this. And also the smart city challenge grant that we're working on, there's an enormous amount of information that we have pulled together so I can cull through some of that too to see if it -- places where it could be added and helpful in looking at strategic plan.

[15:50:26 PM]

-- Looking at the strategic plan. And as far as the strategic plan, it doesn't have a time limit on it, correct? And so that was another reason why I was thinking instead of a checklist that it needs to be a more broader, robust because it's going forward.

>> Garza: And just to give you more history, it was -- we had a meeting where Katherine facilitated and everyone kind of brainstormed.

>> I wasn't here then. I may be off base.

>> Garza: No. I think that's good feedback. And there should be -- if you want to get more robust, then we can definitely add those details.

>> I'd be happy to supply it.

>> Kitchen: Yeah. I think what we were -- we started out by thinking what are we going to work on as a committee. So we wanted to -- hence the checklist. In other words, so we wanted to get pretty specific on what some action items were that made sense for the various bodies to collaborate on. That's why -- at least in my mind my thinking was okay, so let's -- what are we going to do? So what specifically are we going to do? And the we being what can the entities around this table collaborate to do? So anyway --

>> And that is -- makes perfect sense to me and I think that could be incorporated so you have your mission and goals and then your strategies and really you're talking about you need actual strategies with outcomes you want to see and timetables and deliverables, I totally agree, but I'm thinking we may want at a higher level too, some information that is forward looking.

>> Garza: Go ahead.

>> Troxclair: I forgot that was on. I don't know if it made it around the table, but I passed out, this was more of a brainstorming document.

[15:52:42 PM]

I thought it was informative.

>> Garza: Questions or comments on the strategic plan?

>> So we'll take this up again at the next session with further refine minutes and amended language and that kind of thing?

>> Garza: I know we have a million things on our plate, but if we could get all that information maybe a week before the meeting at least, so we can -- so then Katherine and I and Brian can try to put it altogether and provide a final draft.

>> It sounds like some of Sheri's proposed language might be very comprehensive, so if that's available initially, that might be useful to sit around and draft and get comments to that, because that might be a really terrific draft to work off of. So we don't reinvent the wheel.

>> Garza: I think the staff told us for quorum reasons we shouldn't be sharing drafts like that. So that's why if -- I guess it happens either way if y'all send it to Katherine, but maybe if we could bring back next time redline copies of what you want changed and we could incorporate that all and hopefully after that we could provide the file maybe at the next -- the final at the next meeting.

>> [Inaudible].

>> Garza: But she's a representative of me so could still be considered me. Or she is my staff. Not city staff. She's staff in my office. Is city staff is doing it that might be different.

>> [Inaudible].

>> Kitchen: I think that's a good approach. I was going to say this language is good language on here. Is it action 1, 2 and 3 fleshes is out a little bit more. You may want to incorporate some of this language in addition to this language because I think it -- you know, because you talk about identifying duplication of services, working together to identify services that might provide some opportunity for cost savings.

[15:54:53 PM]

>> Okay.

>> Garza: So what we can do is use the feedback that was provided today and incorporate some of that into this and then everyone who has a concern on other areas just bring your suggestions, redline copy and we can have the discussion again and we can hopefully put it all together and have a final draft for it. Our next meeting is July and I think the one after that is September. So September would be the -- shooting for the final-final.

>> I like the -- what councilmember troxclair has passed out. The only thing I would ask is that we put a footnote on aisd's property tax bill with a little asterisk that 30% of that doesn't come to us, it goes to the state.

>> Garza: Okay.

>> Kitchen: [Inaudible].

>> That's very helpful explanation.

>> Particularly given the conversation we just had.

>> And madam chair, on item 2, councilmember troxclair's language, this helps clarify for me, I had thought that your language indicated that we should be looking for cost savings on employee benefits, but I'm all in favor of identifying duplication of services and finding ways to, you know, collaborate on those in order to achieve cost savings. We're doing that now at the county. So I'm supportive of that. I had just thought that the language indicated a different kind of cost savings by eliminating the benefits paid to the public employees.

>> Garza: Okay. All right.

>> Garza: anything else? I think the next thing would just be future agenda items. So we discussed what the plan is for this strategic plan, is to -- some final edits at our next meeting and then hopefully have a final draft at our September meeting. Does anybody else have anything they would want to have for discussion our our future agenda?

>> Madam chair, thank you.

[15:56:53 PM]

It is noted in this draft strategic plan and it is item number 3 under B, goal to affordable and obtainable housing, encourage the use of public land, increase affordable housing, associated supportive services for families. I think it would be very useful for this committee to have, for lack of a better term, a database of what that means from governmental entities. And I don't mean we have, you know, 3 feet of right-of-way available here, but if we could get staff from for instance aid, the city of Austin, Travis county, Austin community college, capital metro, others to actually get together and look at those real usable parcels of land, put that together in some type of database and make that available to us into a presentation, that would be really helpful.

>> Kitchen: Yeah, I think that would be too.

>> Garza: Yeah I think we've discussed that.

>> Kitchen: Yeah, we have.

>> Garza: But I don't think that -- I think there has been that request from previous councils but they do get this giant stack that includes the right-of-ways.

>> That's not useful.

>> We can try to get some staff real parcels that could be used for, say, affordable housing.

>> Not just our staff but aisd, Travis county, capital metro.

>> Actually that was a request to our staff through the joint subcommittee, and we had in fact made it a top priority of the joint subcommittee that we look for -- parcels of land which could be used for affordable housing and that we make that a real priority of the group. So it would be useful to know where that stands as I recall from our last --

>> Garza: So when did -- where a. Where -- it was a request from the joint subcommittee and there hasn't been a report back is this.

[15:58:00 PM]

>> I don't recall if it was reported back in the last joint subcommittee meeting.

>> I think we had an abutts from a -- okay buds man from aid who is our intergovernmental regulations director, who talked about what we were doing with rfp that we're going to issue for the ten properties. We did also talk a little bit about the technical panel thing.

>> Technical advisory panel board.

>> As well.

>> That's right. But I don't know that we had any action items coming from it. We got an update on what's being done in some other school districts around the state, some of which were really innovative and it might be useful to have this committee weigh in on that discussion interlocal. I did have a couple of items for other -- for future agendas.

>> I guess I'm just -- to try to actually be able to have this information so that we can use it for policy making, is there a way that we can ask for these folks to get together to put together this database of information that is -- as I said that's the usable parse expels then have time frame maybe for a presentation to us or something like that?

>> Yes, complete with a map, going through the --

>> Exactly, right.

>> Garza: I guess that would be up to each of the entities that we represent. So we could ask the city, economist Shea would have to ask the county.

>> There was someone from the city's affordable housing department who I think was --

>> Neighborhood housing.

>> Neighborhood housing who I think was heading up the effort from the joint subcommittee.

>> Bert Lumbreras who was going to lead the efforts and I think all of us from the different governmental entities had designated staff. Betsy was there, county staff was there and then our aid folks were there as well.

>> So we can ask assistant city manager Lumbreras if he's -- where he is on that.

[16:00:02 PM]

So he was charged with getting all the different government entities?

>> I think that was the assignment he got, yeah.

>> Garza: Okay.

>> Did you get, that Brian? Okay.

>> Kitchen: We're not talking about just Travis county, right? We're talking about the region? We're talking about the region for purposes of this committee? I mean, like I don't know if this is a relevant task for Round Rock, for example.

>> Yeah I don't know.

>> Garza: I guess we will --

>> You're talking about the land, the easement?

>> Kitchen: Yeah, right.

>> I don't even know anything about it so I'd have to check but it's never an issue that's come up. I'm sure we have land if there's -- you know, a one-page summary what have you guys are following that you can send and I'll send it to our cfo and our city manager and we can say, okay, we have 10% of the land is potentially -- you know, we could look at that but I rarely hear about it. We know there's property out there but I think it's minimal for us, at least that's what I've always thought so --

>> This is just a discussion within the joint subcommittee which I think is only city, county, aid.

>> Yes.

>> But I would think besides city, county, aid, we, for our purposes, would want to include capital metro, for instance.

>> And central health.

>> And central health, yes, I think that would be very important.
>> I think there's a lot of land they're redeveloping.
>> So I think it would be very important but we know that capital metro also has public land that they're looking at so I would want to expand it beyond just we could say within Travis county but that --
>> All public land.
>> All public land, not just the city --
>> I don't know if the universities have any land or what but I think the point here --
>> Austin community college is one I had mentioned, the comprehensive. Have a comprehensive database. So Austin community college is another one that I think would be important, yes.
>> Garza: Okay. Any other future agenda items?

[16:03:03 PM]

Madam chair?

>> Garza: Yes, ma'am.
>> We had a report on evictions. And we had an offer from an attorney with, I think, legal aid to work with us on some either changes in the law or policy changes to assist with lessening the height -- number of evictions and displacement of families. And I don't have any particular update on that but I think if we have -- if we schedule a time to get an update it will motivate some activity on both our staffs and it's not clear if it would be city housing staff that would meet with the attorney. I mean, I'd certainly ask our county housing staff to do that and our county attorneys. But if we set that for a future agenda that would help provide a deadline for moving on it.
>> Garza: Well, I remember the discussion, and he said he had suggestions and so it was a weird conversation because then I said what are those, and he said I'm happy to come back at another time to present those. And so I guess the next step would be asking him to come back and present those suggestions on policy changes that would help the situation.
>> Yeah. And I could also, if we have a time frame for it, I could also loop back with him to find out if there's specific changes in policy that would have to take place at the county to facilitate and some of it or just to understand what some of those policy changes might be.
>> Garza: Can you work with, is it Robert doing it?
>> I'm happy to. Would we want this on the agenda for the next meeting.
>> Garza: I think it would depend on when he thinks he could provide that information. If he thinks he could, July would be fine. If he'd prefer to wait until the next one that would be fine too. Let my office know.

[16:05:04 PM]

>> July 25 or September 19? The two dates coming up next.
>> Garza: Yes.
>> The other one I'd like to put out for consideration, there was an excellent story in the "Austin american-statesman" I think in the Sunday paper about people who effectively are -- were we're creating a debtor's prison, we are putting people in jail because they cannot pay their fines and penalties and those fines and penalties accumulate and increase and people are literally being put in jail because they can't pay their fines. So I think that's something that we should understand as well and if there are action that's each of our various entities can take to deal with that. I mean, they did talk about municipal costar in the article and -- court in the article and I don't know how much of it comes before the county courts but there was specific reference to municipal courts. Would we want to try and schedule that for July.

>> Garza: Do you have any suggestions to who could invent.
>> I can go back and check the article to see if there were particular names that jumped out.
>> Kitchen: The city, we've started looking at that so I think that's a good item for the next agenda. I can check on that but --
>> Garza: Okay.
>> Kitchen: I'll work with you on that.
>> I'll look and see if there are any folks at the county in lar -- particular that are looking into it. We've been discussing it when we look at trends for increasing jail populations and one of the things that we had identified with our -- I think our public defender service was this sort gerbal wheel of people getting caught being sent to jail because they couldn't pay their fines rerearrested because they had outstanding fines. We had asked them to look at that, that statistic and try and get a better understanding of what was happening with that so I'll follow back up with them and see what we can find out there. Would we want to try and schedule it for the July or September meeting?
>> Kitchen: I'd say September if that's all right. I'm not certain I'm going to be here for July.

[16:08:04 PM]

>> Garza: That was actually -- I had a question about our July meeting, if -- what folks plans were for summer, if that was going to be a -- let's go ahead and say September for that.
>> So there's no June meeting?
>> Garza: There's no June meeting.
>> It's quarterly, right?
>> Kitchen: Every other month.
>> Every other month, yeah.
>> Garza: So what is the general feel for the July 25?
>> I'll be out of town.
>> Garza: Okay. You'll be out of town too.
>> Kitchen: I'll be out of town.
>> Garza: You'll be here.
>> I should be here.
>> Garza: I'll be here. So I think -- you won't be here?
>> Kitchen: I should be --
>> It's the national convention, isn't it.
>> Kitchen: That's right. I hope I won't be here. I don't know.
>> And I'm not positive.
>> Garza: Okay.
>> I should be here on the 25th.
>> Garza: Why don't we plan and if we don't have seven people we'll cancel it at that time but at this point let's plan to have. And if we have no other business, we are adjourned at -- the time just came off -
- 4:10. Thank you for being here.
>> Thank you.
>> Thank you.
[Adjourned]