

City Council Work Session Transcript – 08/09/2016

Title: ATXN 24/7 Recording

Channel: 6 - ATXN

Recorded On: 8/9/2016 6:00:00 AM

Original Air Date: 8/9/2016

Transcript Generated by SnapStream

=====

[9:32:55 AM]

>> Mayor Adler: We about ready to start this up? Are you ready? Who are we missing? Do we have everybody here? I think everybody is here. We want to go ahead and draw lots real fast? Let's go ahead and draw lots for council seats. It's that time again. Before you draw it, let's talk about the process that we have here. All right. So you have stones in there or marbles that have numbers on them.

>> Correct.

>> Mayor Adler: Okay. So you have 1 through what?

>> 10.

>> Mayor Adler: 1 through 10. All right. So we are going to make number 1 --

>> Number 1 has historically been the seat on the west side where councilmember pool currently sits.

>> Mayor Adler: Okay. So 1 is going to be -- where pool is currently sitting. That makes number 10 the seat where Ms. Houston is currently sitting.

>> Correct.

>> Mayor Adler: So now we're going to redraw. It takes staff a week or so to be able to reprogram the seats, but we'll go ahead now and draw lots. 1 is where currently pool is. 10 is where Ms. Houston is. Ms. Houston, you draw one number.

>> Houston: 1.

>> Mayor Adler: Number 1.

[9:34:55 AM]

You go to the other far side of the dais.

>> Zimmerman: Number 5.

>> Mayor Adler: Number 5.

>> Kitchen: Number 8.

>> Mayor Adler: Number 8 is kitchen.

>> Tovo: You're moving over one seat?

[Inaudible].

>> Mayor Adler: No, you're on the other side. At number 8 you're on -- is where Delia is.

>> Pool: I'm confused. If my seat is 1 --

>> Mayor Adler: No. Do I have that backwards. Houston is 10. Sorry, I had that backwards. You're just moving over one. I had that backwards.

>> Renteria: 9. I'm moving two seats over.

>> Mayor Adler: Pio is number 9.
>> Casar: I'm 2.
>> Mayor Adler: Greg is number 2. And Ms. Houston, you were number 10, is that right? So you're in the same seat?
>> Pool: No, she goes to the other side of the dais.
>> Mayor Adler: Wait a second. I thought we said --
[overlapping speakers].
>> Mayor Adler: One is where pool is now. 10 is where Houston is now. And you drew number 1.

[9:36:56 AM]

Gotcha. Got it. What did you get, Sheri?
>> Gallo: 6.
>> Mayor Adler: Sheri got number 6. And what did troxclair? 4? Delia got 10.
>> Pool: 7. That works.
>> Tovo: I'm far away from you now.
>> Mayor Adler: Number 3. So going from seat 1, which is currently councilmember pool's seat, so starting at that seat and working across the dais, it is Houston, Casar, tovo, troxclair, Zimmerman, Gallo, pool, kitchen, Renteria, and Garza. Everybody gets to meet new people.
>> Mayor, one quick question. Do y'all want to switch up in the boards and commissions room as well?
>> [Inaudible].
>> Mayor Adler: Let's go ahead and do that.
>> We'll switch everybody around where you will not be next to someone on the dais.
>> Mayor Adler: Why don't you surprise us.
[Laughter]. Nobody is allowed to lobby that decision.

[9:38:57 AM]

[Laughter]. No ex parte contact. All right. That gets us to our agenda. Today is Tuesday, August 9th, 2016. We're in the boards and commissions room. It is 9:38. 301 west second street. We are in our work session. We have two briefings, one on public improvement district, pids, the other on the bond package and proposition. Let's go ahead and do the pid briefing first.
>> Good morning, mayor and councilmembers, Elaine hart, chief financial officer. I'm here this morning to present a briefing on the Travis county potential wild horse ranch public improvement district, otherwise known as a pid. Travis county received a petition from the wild horse developers in October of 2015, a petition to create the pid. And since that time the commissioners' court with their staff have developed a pid policy and some procedures, and have also worked on their due diligence that's preliminary to approval of the pid. As we sit here today in work session, they are in their voting session at the commissioners' court and they have an agenda item to close their public hearing on the wild horse pid and to consider action on the visibility of creating the wild horse ranch public improvement district.

[9:40:59 AM]

With me here today is Gregory Miller, he is on our law staff and he is here to help with some of the legal questions you may have answered. The purpose of today's meeting is to provide you some information about the wild horse pid, the proposed pid that the county is considering. And to respond to some councilmember questions that have been posed including is it legal for the county to create a pid inside

the city limits? What are the issues with the city's requirements with the pud zoning, given that the pid may be created, and overall concerns about what the special benefits this pid may provide in order to obtain the pid tax exempt financing. And also what is the impact on affordable housing. We'll also cover just a brief summary of the community benefits that are expected from this pid as well as pose some policy questions for council discussion and then some next steps. Just briefly for you and the public, a pid is -- creation of a pid is allowed by the Texas local government code. It is allowed for a city or county to create a special purpose distribution within the corporate limits of the city or the extraordinary jurisdiction, the tejano, and the district is to fund public improvements that -- and/or services that will be in a defined geographic area. In the particular case of the wild horse pid, these are debt related improvements or infrastructure and so it will not cover services. These pids are created only request request of the landowners who have to file a petition with the local government and it has to be 50% of the owners of the local property that would be liable for the assessment.

[9:43:05 AM]

So for these types of development, typically their raw land or undeveloped land, so the 50% owners will generally be the landowners that are wanting to develop the land rather than homeowners because there are no homes yet built on the site. The cost related to the financing repayment of the financing or the debt service that funds the improvements, those costs are paid by a special assessments that are levied on the property owners in the pid that benefit from those public improvements. And they're based on an equitable share of those costs imposed on the property. Travis county is currently considering a number of pids. They have received three petitions to create pids some October of 2015 and those include the wild horse ranch, which is in northeast Travis county full purpose annexed property in the city limits. It is in precinct 1, which is commissioner Ron Davis' precinct, and district one, which is councilmember Houston's district. They've also received a request -- a petition from turner's crossing, which is in southeast Travis county. It is in the Austin extraterritorial jurisdiction. It is east of I-35. And they noted in their staff briefing on August 2nd to the commissioners' court that a third pid -- petition had been received, but that was not identified by name or location. With respect to the wild horse ranch, it would be the first potential Travis county pid if it is created. The county is again taking up that item today, and we did inform their staff that we are providing a briefing to council today so the commissioners' court is aware of that. It was noted in their backup.

[9:45:06 AM]

If it is created it would be the first Texas county pid that was created in a city full purposed annexed area. We identified only two other county pids in Texas. One was created by hays county. It's the la Cima pid. It was created in 2014. It's in the San Marcos etj. And then a recent one was created by comal county called lacrossing pid that was created in 2016. Hays county has issued debt, 19 million in pid bonds. The comal county is still in its beginning stages and has issued no debt. And it is near new braunfels. The wild horse ranch development, the entire development is about 2200 acres in eastern Travis county. It's south of U.S. Highway 290. It's at the intersection of highway one 30 and sh 290 east. The total development, only 1600 acres of that development are proposed within the pid. The development is -- has planned unit development zoning by the city of Austin. It was zoned in -- got that zoning in February of 2002. Given the age of the pud zoning it did not require any affordable housing in the zoning case. And in November of 2013, the city council annexed for full purpose the wild horse area. It was undeveloped at the time of the annexation and it was annexed at the owner's request. And the regulatory plan that was adopted at the time of the limited purpose annexation. So one of the questions posed by councilmember is did the pid impact the pud requirements.

[9:47:08 AM]

And I know that's a lot of acronyms, so I'll go over them again. A pid is a public improvement district. A pud is planned unit development zoning. The pud is the zoning of the property and it may be used -- it's a zoning that may be used for developments in the city limits or the city's etj. A pid is again a special district that we described earlier. So the city as the zoning authority is able to enforce its pud requirements over the pid agreement. So no pid agreement can impose any standards contrary to what the pud already requires. So the pid in this instance does not impact the pud zoning. The pud stays in place and its requirements stay in place. I know this map is a little bit hard to read. If you look at your screen, this is the best one I could find. The one on the left is -- well, the one on the left is a picture of the pid, the wild horse proposed by, and you can see the multicolored area in the middle. You see the big gray stripe that goes from top to bottom. That is sh 130. The yellow dotted line in the top left corner is -- looks like it's 290. And in the middle towards the left is a yellow dotted line, and that outlines the wild horse public improvement district property, which is split by sh 130. In the white square if you look in there you can see a gray line going from east to west. And that is highlighting for you the wild horse connector roadway, which I will talk about in subsequent slides.

[9:49:11 AM]

I just want you to know where the property is. So down at the bottom you can see a different picture. This is from the campo 2040 plan and in the very center you can see a green -- a install green square that shows you the wild horse connector as well. But it is in the campo 240 plan. Travis county had a bond election in 2011 and that election provided some bond funding for roadways. Part of the road projects required a public-private partnership agreement with the wild horse ranch developer. The bond authorization included \$8,770,000 for the wild horse connector-parmer lane extension to farm road 973. It also included funding for \$8,740,000 for the farm road 973 to Blake manor road connector. So these bonds and this 3 P agreement are what's been the continuous string that ties all of this together. The the county had a participation agreement or has a participation agreement with the wild horse developer and has set a deadline for the developer providing their funding for their share of the project by November 30th of last year. The wild horse ranch developer had initially worked with the city staff on a potential pid creation. They had come to the city in June of 2014. Work had progressed through August of 2015, but was not expected to meet the county's November 2015 deadline. So in early October of 2015 based on continued discussions with the county the developer filed a petition with Travis county to create the pid and notified city staff that they were withdrawing their request for a city pid.

[9:51:25 AM]

>> Tovo: Ms. Hart, I'm sorry, I couldn't hear the last several things you've said. Would you mind just going over that piece again about what happened with the county participation agreement and the other next steps?

>> Right. Commissioner Davis is very keen on getting these roadways built in his precinct and part of the participation agreement between the county and developer they had is set a deadline for the developer to bring their funding. The county already had bonds approved that they could issue, but they wanted to make sure that there was funding available from the developer. The developer had been working with us since may or June of 2014 to try and create the pid, a city pid. They wanted to use pid monies to finance their share of the roadway. So the timing of our pid creation -- I may have glossed over that and I apologize. The timing of our pid creation and subsequent issuance of pid bonds was not able to meet

that deadline. Even if the city had created the pid that summer it would have taken us a number of months to create the financing documents and issue the pid bonds for them.

>> Tovo: So was the county participation deadline met of November 30th?

>> It was not met. When the developer approached Travis county to create a county pid, they waived the deadline. There was a clause in it that said as long as you were working on a funding arrangement then they were okay with easing the deadline. Did that answer your questions?

[9:53:27 AM]

Sorry. I have been living the details. So one of the other questions that councilmember posed, what are the special benefits that are to be gained from -- in exchange for getting the tax exempt financing? And one of the largest is the regional mobility benefit of getting the wild horse connector-parmer lane extension built out? The county requires that cost participation by wild horse ranch. They are proposing to use pid financing for the developer's share. The county has had discussions proposing now that the city has annexed this property and prior to their road bonds being issued the county is proposing that the wild horse connector cost -- and this is for phase one. There are two phases. Phase two is not in the city limits, but the county is proposing that phase one of the wild horse connector cost be shared one-third each with the county using a portion of their bonds, the wild horse using pid bond proceeds if the pid is created. If it is not created, the developer has to bring his own financing to the table. And they're asking for the city to finance a funding source of a third for the roadway. The last estimate that was discussed for the cost of that phase one was an estimate of \$15 million, 15 to 17 million. So at this point if the city agreed to -- if city council agreed to funding a third of the roadway, which would become a city roadway, the city would maintain, we would recommend certificates of obligation as the funding source, and the current estimate is five to seven million, but certainly we would have to nail down that estimate to a more accurate number.

[9:55:29 AM]

But that's in the ballpark. I think one of the other, excuse me, benefits -- and these are the community benefits that county staff is presenting to the county commissioners' court. One of the other is the promotion of affordable housing. This development is projected to have 4300 residential units. It is looking at single-family attached and detached housing targeting moderate income families with 100 to 200 percent of the median family income or mfi. They are targeting multi-family -- multiunit rental housing to low and moderate income families at 100 mfi or below. And in addition they're identifying land parcels on which affordable multi-family land development projects could be built, those based on affordability tools that are available today such as some of the tax credit developments that we see here at the city. Currently they are proposing homes in the range of 200,000 to 344,000 as the top end of their price range. Other community benefits that county staff has outlined are the million and a half square feet of commercial and office space that will provide for long-term full-time employment opportunities in the area, so it's meant to be a work-live development. There will be public hike and bike trails, playscapes and playgrounds funded through the pid bonds. The developer has also donated land, dedicated land to the county for open space and has dedicated a minimum of five-acre site for a multimodal transportation joint use facility.

[9:57:40 AM]

Has also donated land for two manor independent school district school sites. This is in the manor school district. Then also they worked with the developer who agreed to implement better builder

program requirements for the pid improvements, that would improve higher worker salaries and better wages. The developer also agreed to include privately funded construction on roads and utilities in the pid that they would follow these guidelines also. So just a refresher for council, some of the general benefits of pids in general are that the city can gain land use control in its etj and plan for a long-term annexation. This gives opportunities to negotiate development standards. They're an opportunity for growth to pay for itself. So the cost of the public improvements is allocated to the property owners who are benefiting from the public improvements. Even though they are available to all the public. There's a lower overall financing cost for the developer, which may allow for greater amenities and a higher valued development, but those are gained through the negotiations. Generally you hope to gain superior improvements or infrastructure that is not customary in your standard development, so you get a better development in this case through your negotiations. The pid

>> The pid debt is non-recourse to the city or council. Although government officials do negotiate the bond documents and sign the documents, the debt is not on the city or county's balance sheet and it is not backed by the full faith and credit of the city or the county or the taxing authority either.

[9:59:46 AM]

Some general concerns with pid creation. There's overall a public policy concern with a number of developer-driven special districts. We are seeing an increasing trend of pid petitions in the central Texas area and north Texas area and we need to remember that pids could become the M.U.D.S of the 1980s so we're mindful of the number of requests that we're seeing in the market today that governments are considering. There are also risks inherent in the construction development and the real estate market that could impact the success of the pid over time. That is, it could impact the absorption rate or the speed with which homes can be built or sold, as well as the market price for those homes. Due to the increased regulatory scrutiny in the municipal bond market over the last five years, it's been increased, these particular transactions require an extensive due diligence prior to the pid bond issuance, including an independent appraisal of the raw land that would also support the pid bonds. Pid bonds are not rated investments like the city's aaa. That is a rated credit. These are not rated, and so the universe of investors is limited, and you have to have an underwriter who has the appropriate contacts to identify investors interested in this type of development. And when you -- when you create the P.I.D. You're creating a long-term ongoing relationship with that developer. These are truly public-private partnerships. In the case here, there would also be ongoing resources needed for the city or county to continue administrate the pid annual process.

[10:01:47 AM]

That includes making sure you have an accurate assessment roll, approving the annual budget, approving the assessment roll and the assessment rate, then invoicing and collecting for the special assessments as well. And then if pid issues do arise, the city or the county really needs to work to mitigate the impact. Examples of that could be inadequate disclosures by the developer to the home buyer that they are going to be living in a pid and having special assessments. We had some of that problem with our own estonsia pid. When they received their special assessments this year a few said they didn't know they lived in a pid, a few said the developer agreed to pay for the assessment. So there's some confusion out there that the city or the county does not control, but we're in the middle because we are the ones who mailed a special assessment. So those things can arise and we do need to work through those. And in the case of a pid that is not performing, there is the option to foreclose on the property if the special assessments are not paid. So if the county determines and approves that they will create the wildhorse ranch pid today, state law is written there. It says that a county may establish a

public improvement district unless within 30 days of the county's action to approve such a district a home rural municipality objects to its establishment. So if they approve today on August 9, the council would have to express its objection to the pid's creation no later than September 9 -- excuse me, September 8.

[10:03:51 AM]

All right. Here are a few policy questions related to public improvement districts. The first one is would the council policy differ for in-city pids or extra territorial jurisdiction pids. In city pids, homeowners would ultimately pay the overlapping tax burden, that is the city, the county, the school district, the health district, plus the special assessment. In the etj pids they would pay the overlapping tax burden less the city tax plus the special assessment and typically you would see an agreement where full purpose annexation would coincide with the pid's termination, that is when the debt was retired or fully paid. Second policy issue is, is a pid needed if a P.U.D. Zoning is already in place. P.U.D. Zoning generally results in superior development. So the P.I.D. Financing, the lower cost financing tool for the developer, would be available in exchange for additional special benefits. So in the case of negotiating one of these, you'd want benefits over and above what you already had prescribed in the P.U.D. And then the final one is does the council have objections to Travis county's creation of the in-city P.I.D., wildhorse ranch. So our next steps for Travis county P.I.D.S, we will prepare for the council a action on a future agenda based on what the county does today to discuss and possibly take action on the Travis county creation of the wildhorse P.I.D. This would be an opportunity for the council to object to the p.i.d.'s creation if you have any objection.

[10:05:56 AM]

But that way there would be a record vote up or down. And we would then have a formal way of informing Travis county. Again, if Travis county created the P.I.D. Today, the objection would be within 30 days or September 8. So we would bring an action item back prior to September 8. Staff will continue monitoring Travis county P.I.D. Activity. Again, they've got two other P.I.D.S they're looking at. One in the etj, Austin's etj, the other we're not clear what the location is yet. And we will provide council periodic status reports either in writing or through briefings. Potential future items, agenda items for council if the wildhorse P.I.D. Is created by the county. We would need to bring an interlocal agreement for the council to approve for the cost sharing for the wildhorse connector, as well as the funding source for the wildhorse connector. So there would be two future items or future items related to that. And then next steps we are recommending as staff for city-created P.I.D.S or P.I.D.S that we receive a petition here at the city to create. We are recommending a moratorium on city-created P.I.D.S that involve capital to allow for a review of our current policy that was adopted in 2008 and to develop procedures for the due diligence required before the creation of the P.I.D. As well as for the bond issuance. We would like a development -- a departmental team, including finance law, planning, Austin water, housing, parks and recreation, public works and Austin transportation to work on this review of the city's P.I.D. Policy and bring back policy recommendations to the council we would develop procedures for the detailed review to ensure that the established policy that the council would adopt is implemented in a consistent, fair and transparent manner.

[10:08:17 AM]

We currently, under the existing policy, have no measurable way to evaluate one P.I.D. Against the other, if they both come in at the same time. And then we would specifically identify due diligence

processes for PID creation and then also for detailed ones for P.I.D. Bondishence. With that, council, I know I've thrown a lot of information at you. I'm ready to answer questions. Greg is here as well to answer any legal questions.

>> Mayor Adler: Council? Councilmember troxclair?

>> Troxclair: I just wanted to say thanks for that thorough presentation. I appreciated the presentation of the concerns with P.I.D.S as well as the outline of the policy questions that are before council. I think it helped to simplify our discussion. Do you have the -- I know -- I understand that the staff recommendation on the last page is for standard of-created P.I.D.S. Does staff have a position on the wildhorse P.I.D.?

>> I do not.

>> Troxclair: Thanks.

>> Mayor Adler: Ms. Houston?

>> Houston: Thank you, mayor. And I want to also thank the manager and the staff for putting this together. I think it helps us not only with this issue, but with some of the other issues that you've pointed out. So according to one of your slides up in the beginning, as far as you're able to tell, this is gonna be the first county public improvement district that's inside of corporate city limits?

>> That's correct.

>> Houston: What is the precedent that we might be setting? And this may nobody something -- not be something that legal can answer if we don't object to this public improvement district being created? Could people come in, developers, get the county to do others inside the corporate city limits?

[10:10:23 AM]

>> Only if there's a large block -- I would believe only if there's a large block of land to develop, and there's not that many large blocks of land that are undeveloped inside the city limits. But, yes, they can come. I mean, that is our concern as staff, in terms of fleshing out our policy more and just calling a halt so we have that time to look at revisions and discuss those fully to find out what the council's will is on those and make recommendations to council. But, yes, it could be precedent setting. It is the first. We looked at a number of resources that we have and could not identify any other in-city county-created P.I.D. In Texas. We did not look outside Texas.

>> Houston: Mr. Miller, were you going to say something?

>> Elaine said it best, yeah.

>> Houston: Okay. So we then, the city, have some financial obligations it appears to me if this P.I.D. is created and if the city doesn't object to it. And but we don't know how much that -- we know that the road might be somewhere between five and 7 million but it seems to me that there was another ongoing resources to administer the public improvement district. Is that a city responsibility to put money in the budget to administer it if it's created or is that the county's responsibility?

>> That is the county's responsibility. However, during the construction period, because most of the assets will ultimately become city assets, we will have to monitor the construction. We'll have inspectors insuring they're built to city specifications and some of that will have to be spelled out with that interlocal agreement with Travis county.

[10:12:30 AM]

>> Houston: Do you have any amount what we're talking about for okay? This is for the life of the bonds?

>> No. This would be until the public improvements are built. I believe county backup said there's a eight to 12 year build-out for the entire P.I.D. This would be the first tranche of bonds issued so it would

be ongoing but they would gain parks that have playscapes on them and ultimately we would be responsible for maintaining -- likely maintaining those playgrounds and playscapes.

>> Houston: Okay. I have other questions but I'll let other people ask questions if they have some.

>> Mayor Adler: Okay. Mayor pro tem is next.

>> Tovo: I have a lot of questions. We had several presentations, as I recall, when they were applying for a P.I.D. We had at least one at audit and finance and maybe two, I can't remember.

>> Two.

>> Tovo: Is that right, vice chair troxclair? I think we had at least two and there were still lots of remaining questions. Were this to pass at Travis county we're gonna have to I think plan for kind of a fuller discussion here, at least that would be my recommendation. But, overall, I guess I wanted to better understand a couple specific things that were in your presentation. Ms. Hart, you talked a little bit about the road. Is it our obligation to fund one-third of that road? Would that be our obligation?

>> It is not. But that is the ask from the county commissioners court. It is to be located in -- fully inside the city limits, and it would be a road that we would ultimately be expected to maintain. And so they have asked that we pay our fair share, and they believe that is the one-third. They are still willing to contribute a third with their bond funds for it, which their position is they're not obligated to provide that funding.

[10:14:33 AM]

Although they do want that roadway in to help mobility in that area of Travis county.

>> Tovo: So they are not obligated to provide that funding to the developer either?

>> No. But they do -- they do -- they did have the contract with the voters, their voters. They did have the bond authority approved, and they do want the roadway to facilitate the regional mobility improvements and congestion in that area.

>> Tovo: Okay. And then with regard to the affordable housing, as I remember our discussions from audit and finance -- I may be misrememberring this. I didn't remember there being any set requirements or any formal commitments to provide housing at any particular levels. I think there were assertions made that the housing would likely sell at, you know, particular rates, but -- and I'm looking to my colleagues to see if my recollection is correct. Do you know if that's changed? I see there's a -- it's really only a community benefit if there's a way to hold them to it.

>> Their discussions have been -- some of the issues that the commissioners court have discussed are -- surround the affordability, affordable housing issue, and because if I remind you, the P.U.D. Does not require affordable housing. Pastor their negotiations have been with the developer to provide some affordable housing. They have talked about providing, in work session, 38 lots that could be used for affordable housing, although the county does not have a program that builds the affordable housing. So that is the last bullet on slide ten, is the hope that some of the multi-family developers in town who do tax credit-type developments could utilize those lots.

[10:16:37 AM]

They did get a third-party consultant to look at the real estate side of the transaction, and a concern that Travis county staff has -- housing staff has raised is, they already have sufficient affordable housing in the area and they don't want an overconcentration of affordable housing. So they're very concerned about fair housing implications of additional housing.

>> Tovo: I see. That's interesting. I mean, these levels of affordability are pretty high really for -- if we're talking about affordability. 100 to 200% is pretty high but maybe they're balancing that against the fair housing issues. Likewise, on the -- I mean, in a similar vein, on the community benefits that are listed on

the next page, do you have a sense of whether any of those would -- are included within the planned unit development zoning as requirements?

>> I do not. I did want to mention one other thing. Their current estimates for the special assessment are \$800 to \$1,200 per home. But those are based upon their feasibility study.

>> Tovo: Those would be assessed to all homeowners, including those living in what are potentially going to be earmarked as affordable units?

>> Yes. The assessments have to be divided in an equal manner across all landowners or property owners in the district so their estimate right now is for a home, an individual single-family home, that would be 800 to 1200s.

>> Troxclair: That a year?

>> Yes, it is.

>> Tovo: That's kind of curious. So we're actually -- I mean, a P.I.D. Actually -- yeah, if you think about, it then the -- we're talking about affordable housing maybe being one of the benefits, yet that's being offered as a benefit to set up a taxing structure that's gonna require additional assessments to all of the individuals living in those.

[10:18:47 AM]

So I'm not sure how over the long run that would really balance out in terms of allowing those individuals to stay in their homes once they purchase it. Okay, maybe we don't need to --

>> If I can, Gregory Miller, sorry, if I can -- is this on? For what it's worth, affordable housing is one of the eligible expenses for P.I.D. Bonds, and the way that the assessments can be apportioned, it doesn't have to be equally -- everybody pays \$5 a year, it can be prorated -- you can come one any number of formulations based upon contributions of lots. Conceivably affordable units could pay less.

>> Tovo: That is interesting. Do you know if that's part of their plan?

>> I don't.

>> Tovo: I think, you know, since we're just talking about this on a high level today I guess I don't need to know specifically about these but in general I would be interested if this does come to us for some kind of decision I'd be interested in knowing what of these elements being listed as community benefits are things they would be required to do under the P.U.D. Ordinance or things that we can reasonably expect any development of this sort -- of this size and scale and scope and price level would want to include as amenities within their development just to attract potential buyers. And I guess then my last question is, when it was -- when the applicant was applying to the city of Austin for the public -- to create the public improvement district, did the staff have a recommendation at that point?

>> We did not get to the point where we were ready to make a recommendation. When we presented to the audit and finance committee, that was the first presentation the city had had since 2008, when we created whisper valley and Indian hills and estoncia. So we have new councilmembers. We felt like we needed a P.I.D. 101, so we kind of got the P.I.D. 101 behind us and then the wildhorse developer did a brief presentation overview of their project but we're not finished with our due diligence at the point that they decided to move over to the county.

[10:21:01 AM]

>> Tovo: Do you believe that you're done with your due diligence at this point? I mean, I know it would be the city -- it wouldn't be the city creating it so maybe the same diligence isn't required if it's the county creating. I'd still be real interested in the staff's opinion on it.

>> We have not finished -- I mean, we haven't really done any additional work on it other than monitor what the county is doing. I will say that they appear in the Travis county staff's summary of the

community benefits, they appear that they have negotiated more benefits than we were able to negotiate with the developer.

>> Tovo: Thank you.

>> Mayor Adler: Okay. Mr. Zimmerman, then Mr. Casar, then councilmember pool.

>> Zimmerman: Thank you, Mr. Mayor. Lot of general questions about P.I.D.S. Let me make the quick comment I've been the president of a municipal district for many ayears and my chief of staff is also the president of a P.I.D. We have quite a bit of experience. We favor the M.U.D.S because they give you local control, local elections and you can separate the finances of the project from the city. Also, this is our workload for one week. So I argue that the city council does not have the bandwidth to get into P.I.D.S as a policy, but let me go quickly to page 3, where the bulleted point says created only at landowner's request via petition of 50% of the owners. How many owners are there of the unimproved property for this P.I.D.? How many landowners are there?

>> There are three limited corporations, LLCs.

>> Zimmerman: So it will be three. But it's not uncommon to have one, one property owner.

>> That's correct.

>> Zimmerman: In my area, canyon creek, there was an election, as they like to say, election, put that in quotation marks, election, with one registered voter and that's not an election. I want to point that out. I think people have the right to do with their property what they like to.

[10:23:04 AM]

It's just not fair to kind of say 50% of the owners because you get this impression in your mind there's this big election and lots of people voting and everybody is informed and know what they're doing. Generally that's not the case. It's just one or two or three property owners. Second, going to page 9, when we're talking about funding, of course I've been in favor of roads, expanded roads, more roads. I just can't understand why the certificate of obligation would be done for a road that you kind of know that you need, you agree that you need. It should be something put in front of voters. I would never support certificate of obligation in this kind of context. To me it's something that you can put into a road bond and have the voters vote on. Moving to page -- and I think they would approve it. But moving to page 13 quickly, under the general concerns, I'm a little confused by these two statements that seem contradictory. Increased regular story scrutiny of municipal bond market requires extensive due diligence. The very next statement says P.I.D. Bonds are non-rated investments. These are contradictory statements but the way you rate a bond is with due diligence. You study the bond. Is the bond likely to be paid off? Is it likely to go into default? You know, what are the payment mechanisms. So the result of due diligence is you either rate the bond as very, very high investment grade, great chance to get paid off or else it's a junk bond. There's a poor chance that it's gonna be paid off after you've done your due diligence, you can come to a conclusion and say it's investment grade or it's junk grade. So these statements seem contradictory. And then, finally, on page 15, the last time I checked, which was about two months ago, under the Texas water code chapter 54, part 16, paragraph a, it's still illegal for a city to require annexation in exchange for granting consent to a mud being formed but I don't know what the law is on P.I.D.S.

[10:25:17 AM]

Is there any law saying that the city cannot demand annexation in exchange for granting permission for the P.I.D.?

>> Greg Miller. Not that I'm aware of. I think the way we usually do it is the opposite. We withhold annexation at the request of the developer.

>> Part of the P.I.D. Financing documents include a developer's agreement, and I know that we have structured our three P.I.D.S such that we do not fully annex the property. It stays limited purpose annexed until the P.I.D. Debt is paid off with estoncia it was a 15-year period and at the end of that period the bonds were turd and the city could proceed with full purpose annexation.

>> Zimmerman: Well, that's kind of consistent with what happens with muds. The city's desire. Their expectation, you know, what they want is to allow the mud taxpayers to pay for their own infrastructure, pay it off over a period of 20 to 30 years and then after the debt is paid off and the mud bonds are defeased, the mud tax could be dramatically lowered because I don't have to pay for infrastructure debt anymore. Then the residents get annexed without a vote against their will and their mud tax gets replaced by a city of Austin tax and the infrastructure that they paid for is confiscated by the city. They don't get paid for their infrastructure. The city just takes ownership of it and gives them a new tax. In other words, I think right now in river place mud there's a lot of earning in the river place -- anger because what's been done is it's business as usual but the people aren't happy. They want it to remain as a mud. They were about to get their mud debt paid off.

[10:27:17 AM]

They liked their water service. They had decent rates. They didn't want to be annexed. So that could be the same situation that comes one the P.I.D.S and 30 years down the road had they don't want to be annexed and somebody says, oh, back in 2016 there was an agreement that you would be annexed that was made back in 2016. And they would say we didn't make that agreement. And we don't want annexation. We want to stay a separate community. So this is why I'm asking these questions and if you have any follow-up material that will be helpful.

>> Certainly.

>> Zimmerman: Thanks.

>> Mayor Adler: Mr. Casar.

>> Casar: My question is pretty simple and it goes back to the first question, I forget who asked, but is there a particular reason why staff can't give us a recommendation on whether or not to object? And the reasonsky the question is it seems that mu -- reason I ask, it just seems odd staff brings forward an item and we don't have a recommendation. So that's the reason I ask.

>> Well, I think part of it is we have not heard from the council whether they would like to approve a in-city P.I.D. And some of the concerns surrounding the tax structure being fully loaded with the overlapping tax plus the special assessment. We wanted to give the council an opportunity to ask questions. We didn't bring forward the recommendation today because of the kinds of questions that have been posed. And certainly we have not existence extensebly looked at the county's due diligence work. We've looked at publicly available posting language and backup. That's all we've looked at.

>> Casar: Certainly I understand there's still quite some time before that item would be posted but I guess the reason I asked the question is that obviously this is the first time that it's happened but if it has impacts on other policies that this or previous councils or the city management value that we usually rely on at least some analysis from the city staff side on pros and cons of all sorts of unprecedented things and how they may impact our existing financial policies, comprehensive plan, et cetera.

[10:29:37 AM]

And so if there isn't something preventing the staff from providing a recommendation, I don't think I'm the only one that would appreciate one, not because we always go with staff recommendation but because there's obviously a lot of staff that can think through a lot of those peculiarators and give us

pros and cons and ultimately where it is that the staff finds whether or not it's recommended or not based on existing council policy and city priorities.

>> Mayor Adler: For what it's worth, I agree with that. If we're supposed to respond to this in 30 days not only do we need a recommendation but as quickly as you can get it to us so that we can discuss that recommendation. Choices would be good too. Identification of issues associated with it. But certainly a recommendation as quickly as you can. Properly get us one. Councilmember pool.

>> Pool: Thanks. Thanks for coming to give us a briefing on this. I did meet with the wildhorse development folks. I think it was a year ago. Maybe it was last fall. If I'm remembering right, at that time I was assured the road would be paid for by Travis county. Do you know -- and maybe I'm not remembering it correctly, but do you know how that piece has evolved from then to now? Was it always intended that they -- I mean, it sounded like Travis county had already agreed to pay for it was my impression coming out of that meeting.

>> They -- the intent when they got the bonds approved was that they would pay for 50% and the developer was always to be -- to pay 50%.

[10:31:43 AM]

>> Pool: Okay.

>> And so once the city annexed the property, that -- and the developer came back to the county to create the P.I.D., they wanted to use the P.I.D. Bonds to finance their portion, but then the county commissioners discussed that since it was fully annexed by the city the city should pay a share of the roadway.

>> Pool: Had there been any legal agreements, binding agreements developed prior to the annexation? So it was just sort of -- I see [indiscernible] Shaking his head. So it was all in the discussion? I'm trying to get a fix on whether there was an actual agreement. My support for what I was hearing from the developer and his agent was based on the fact that Travis county was participating and the city was not in the paving of the road for the very reasons that councilmember Houston has raised, and that has to do with how expensive it is. The road needs to be there. So the parties at the time were agreeing that they would take on that burden. My guess is that their financing hasn't really shifted in the eight months or so since I've talked to them, but they see an opportunity since the city has annexed it, maybe we should not have annexed it until the documents had been signed and this development had been -- had gone further. And I don't know. This is fair -- this is a new issue for this council. So I'm a little bit concerned about the -- what seems like an opportunistic change in focus, so I just want to lay that out there.

>> Councilmember pool, Greg Guernsey, planning and zoning. When we approved the P.U.D. Many, many years ago, 2002, there was an agreement that we could full purpose annex it after ten years so I think that was probably built into why the annexation occurred and there was no objection in 2013.

[10:33:46 AM]

Mr. Dwire I know originally started this project but there have been changes in land ownership through time. There's entities in Russia that supposedly own this.

>> Pool: What did you say?

>> Russia.

[Laughter] There is a group from Russia that I understand owned this property for quite a while and then it was taken back by banks and then Mr. Dwire has been kind of putting the pieces back together. So he's bringing it forward. So there may have been reasons why part of this property was not developed as timely as people anticipated because of the ownership changes.

>> Pool: Sure.

>> And the great recession that we had.

>> Pool: Okay.

>> I'll wait and --

>> Pool: All right. When council in 2012 approved this annexation --

>> I think it's 2013.

>> Pool: Or 2013. What conversation was had and what meeting can we find the transcript for where the responsibility for some payment on this road was highlighted? And, further, if that was the case, it was 2013, when I had the meetings in 2015, us sharing a proportion of the road cost did not come up.

>> I don't believe that the road was the subject of much discussion upon annexation. We can go back and look at the record --

>> Pool: So what I would be looking for is what due diligence did staff do to advise the council at that time what financial responsibilities or obligations may visit us as far as us having to approve it. I would like to know what discussion was had and how clear was it.

>> Councilmember, you'll not aware of any discussion -- I'm not aware of any discussion about the road but we can go back and see if there was any at that time.

>> Pool: So the discussion should include all of the elements that would bind the city both legally and financially into the future with regard to this annexation. The other question that I have -- and thank you for doing that work.

[10:35:47 AM]

I appreciate it. The mayor pro tem asked about the possible -- about the fact that any special assessment fees would tend to mitigate the lower cost of the sales of some homes, the 38 lots potentially. And Ms. Hart, you said that -- or maybe it was Greg who said that we could be prorated. Is there some way that if we were to move forward with this and have some participation in it that we can ensure that if indeed there are below -- and I'm gonna say below market rate because affordability has meanings to all -- different meanings to different people so below market rate, below the numbers that are in this package currently, that we can lock that in and ensure that the fees in fact do not tend to overwhelm the fact that we're trying to get lower-income people to be able to purchase and live in these homes? And then how long would that go for? How many years would we be able to nail that down?

>> We would have to do some considerable thinking about that. Because typically the service and assessment plan comes with the P.I.D. And that talks about the formulas and the way that the apportionments are made out and that can be amended on an annual basis. So that's to say, what if the version of the P.I.D. That the county approves, if they approve it, starts off with a first -- the first five years cost of affordable housing are offset or folks in affordable housing are paying a lower assessment rate or something like that? We need to find a mechanism to lock that in for successive years. If we don't the county could change it at will, basically.

>> The service and assessment plan is generally not prepared until you bring forward the financing document so it doesn't exist at this point.

[10:37:48 AM]

Unless it's identified in the term sheet that they're creating now with the creation, those sorts of details are not ironed out until much later when the P.I.D. Bonds are -- the work on that is coming forward. And that agreement, that annual plan is not something that the city would approve. It would go straight to the county for approval. We could -- I believe there's public hearing that we could comment on it when

you do the assessment roll and the assessment rate. The assessment rate is based on the service and assessment plan, and so there's an annual process where we could go speak at a public hearing, but the city would not be party to that plan or that document.

>> Pool: Okay. Let me just dig in a little bit on that, the city wouldn't be a party to that. If we have fully annexed it, if we are cost sharing on a road, let's just -- for the hypothetical say that we are -- and we have involvement with -- as far as zoning approvals and we have entered into a conversation about ensuring below market rate sales prices, how then are we not a party to that -- or what would the city need to do in order to have full participation so that what the city would like to see continue be in effect there, much like we do at Miller development and some of the other P.U.D.S that we have approved? How do we get the same level of assurances there with the county? Would it be a partnership agreement with the county? An intergovernmental and interlocal agreement with them?

>> The interlocal is just between us and the county. The county would then have to get the developer in their P.I.D. Financing agreements to go along with what the two government agencies agreed to.

[10:39:52 AM]

And they are setting out the initial -- the very broad term sheet now with the creation of the P.I.D. Certainly not all the details. I will say that the county has been very concerned about the affordable housing aspects of the P.I.D., and many of their discussions have surrendered that -- surrounded that. They've had their housing development staff looking at the affordable housing and literally been struggling with it, much like we have on our P.I.D.S. They can give us land but they can't get the housing on the land to make it affordable. And so they're still not -- I'm not sure how we would go about that. I don't know if we could amend the P.U.D. Zoning. That would be between us and the developer. But that might be something that we've got to go off and work on how we might could achieve that.

>> Pool: It would be helpful I think for our deliberations to have a sense of certainty around that. Because I think the point being made that if we do approve a P.I.D., that is also picked up by the people who live in that development, then that could tend to offset the lower prices that we are trying to see be charged there for the sale of those properties. And at the very least it needs to be very clear to everyone that that's what's going on. So I'm looking for some transparency and accountability just so that we can clearly show -- and it should also be part of any documents in the sales process that -- what all the fees are and how they affect the mortgages that people may be taking out. I recognize it's really complex and we haven't done it before, and so that's why I do agree that we need to take some time on this. I appreciate your suggestion about a moratorium. I think that's a really good point. It gives y'all the opportunity to spend more time trying to work through the various complexities, and I fully appreciate them and would support a request for a moratorium.

[10:42:03 AM]

Thank you.

>> Houston: Mayor, I just have a couple of more questions and then will be through and I want to thank everybody.

>> Mayor Adler: I'll go after you then.

>> Houston: Okay. Coincidentally, the commissioners court is talking about wildhorse public improvement district as we're talking about it and something I didn't know the last time I went before the commissioners court they're also going to have to pay homeowners association fees, then the special levy for the public improvement district, along with Austin property taxes, county property taxes, and manor ISD property taxes that another part of my district is in the manor ISD and they're want to go know how they can get in aid because the property taxes are so high. Not having that specific

information when I spoke to the commissioners court, I also said I'm not sure how you're gonna gain any affordability with all these additional taxes and levies that are gonna have to happen. Commissioner Shea has been very active in having some real serious concerns about whether or not this is something that the county needs to be doing. And so I never could get a number. Thank you for the 38 lots because at that point I couldn't get a number of lots that they were looking at, and I never could get any feel for units, multi-family units. There are a lot of low-income housing around that area over on Decker Lake, so that's why they already feel like they have enough, quote, whatever affordable is. And so -- the commissioners court asked for a side by side comparison from the public improvement district, the community benefits that would be gathered from them and the planned unit development, and they didn't have that. They may have it today. But I didn't go to backup to see if they had because they were asking for that when I met with them several weeks ago, a side by side comparison of what the amenities and community benefits are because they didn't want them to be double-dipping.

[10:44:16 AM]

So to say we're gonna do it for here, but we had to do it in the planned unit development so we're gonna count it over here in the public improvement district. I guess I still need to see that and hopefully they have that in the backup today. Again, one of the things on page 11 is the multimodal transportation. We have talked a long time with the developer about the green line that goes from Manor into downtown Austin, and so that was one of those community benefits that he did put in there, was a stop -- a possible stop and the park and ride facilities for people who would be catching the green line coming into town. I think that's -- everybody is well-briefed, I think, at a high level, and as this moves forward with the county, they haven't -- they haven't taken a vote yet but as they move forward then I would suggest, mayor, we go ahead after you make your comments, that we go ahead and put something on -- a placeholder on the agenda for the next meeting so that then we can have more detail about what they did decide and what the community benefits are, if any, for this one of a kind in the state of Texas project.

>> Mayor Adler: Ms. Garza?

>> Garza: I just wanted to add my -- I don't mean to beat a dead wildhorse -- sorry, I had to do that. [Laughter] I would really like a staff recommendation and I'm having a hard time understanding, we haven't heard from council yet that's why we're not giving a recommendation because we get recommendations all the time. And I think from reading, you know, the recommendation about the moratorium on city-created, I think that indirectly gives us what the recommendation is overall. And I would just add that I really appreciate the presentation and it's helped me understand this whole issue, but -- and I know we just got off of our council break, but -- and I understand there were some declines in the beginning that there -- deadlines in the beginning, that there may have been some issues but I feel like we should have gotten this before it went before the county if it were possible because I feel like now they're going to be having a discussion that could just be nullified if we decide not to.

[10:46:49 AM]

I feel like there's a lot of things being done now that we could in fact void with our decision. So that's. . . >> Mayor Adler: I want to reiterate that I think it's important to have a recommendation from staff, and I am not familiar enough yet with this or all the issues to know ultimately where I would come down on this or P.I.D.S generally. I do think that at some level it's a development tool to be able to shape the kind of city that we'd like to have. We don't have a lot of new residential development out in the area of SH-130, although we have it kind of starting in fits and starts. But to the degree that we could increase housing supply in the city, that's a primary for us to be able to do it. It's a primary for us to be able to do

it in a way that hits some of the middle affordability in this city and potentially if we can leverage it to also get deeper affordability, but having the supply I think is important. But yet as much as we've always -- all of us have wanted that to happen in that area, it hasn't really happened in that area. So I'd be interested in knowing if this is a tool that the city could use, tailored or conditioned to actually be able to encourage or to help facilitate the kind of development we'd like to see. There are people out in the manor district, as councilmember Houston points out, that don't like paying the high school taxes there, and part of the reason for that is because there's such a low -- such low property values in manor. Perhaps the best thing we could do for those people is help them develop infrastructure out there and develop development out there so there's a broader tax base in the manor independent school district so they would have greater property values with which to draw some and then the costs that people are paying out in manor could be spread out over more properties and more homes and more commercial businesses and the like.

[10:49:01 AM]

You know, when we were talking about doing the rail in the last election, we were recognizing that as part of that development we were going to be potentially substantially increasing the value of certain properties that were near the stations for the light rail component. So the community, the public, would be spending millions and millions of dollars which would have the impact of increasing the value of some people's properties. It seems to me that having the -- this P.I.D. As a tool to be able to go to those folks and say, hark there's a lot of infrastructure -- hey, there's a lot of infrastructure the community is willing to invest in, do you want to coinvest too since you're going to be the ones that in part benefit from this development? Would have been a good thing to have built in as part of that rail proposal. We're about to, I hope, approve a large mobility bond in this city, where we spend a lot of money on corridors. There's not enough money to do all of the corridors, all of the places, and I'm anxious for staff to go to the community and look at the development community and say, who wants this development near them? And to what degree are you willing to help to participate or to leverage the public funds that would be spent by building it into your development scheme? So that's an additional opportunity to be able to use the P.I.D. Type of investment. You know, obviously, we've seen some situations that haven't worked with respect to M.U.D.S, and we ran into the problem. But I don't know enough about what it was that didn't work about M.U.D.S in the '80s to know exactly the fear associated with this being the M.U.D.S of the 2000s. You'd like to understand that better. I do remember the road district out at the southwest parkway where the road district had a levy so great it effectively prevented development to create the base to pay off the road bonds.

[10:51:08 AM]

We need to be able to avoid those kinds of things too. So in my mind, as I sit here now, I don't know what the rules are so I like the thought of staff actually diving into this and coming up with rules. But it also seems that if we do it right it could be an incredibly valuable tool to help with development in the places that we want development and in the way that we want development. You know, at some point there's gonna be a critical mass that happens and then those areas will be developing all on their own, without any additional tools, but it may be that if we're going to have this development then tools lining this are necessary to -- like this are necessary to prime the pump associated with those. But I would like to see the policy not only for this kind of green field development, but also how we're going to be able to best leverage it associated with the bond in order to best leverage the public's money, and that's part of the resolution, was to ask staff to look at these kinds of tools associated with that bond election too. So it was more information that we -- I think that we all need in terms of a study but obviously we're

going to need a recommendation if Travis county acts today just as quickly as we can so the sooner you can get us a recommendation and choices so that the public could vet those, I think the better off we'll be. Further discussion? Thank you very much.

>> Thank you.

>> Mayor Adler: Go ahead.

>> Tovo: Thanks. I've been trying to figure out as I've read about the proposal to the county over the last month, I guess, you know, they did approach the city. We were talking about it. But there were clearly concerns that were raised. Did they go to the county because they were concerned they weren't going to get a P.I.D. Through the city? I don't know if that's a fair question to ask y'all but I guess that's one of the questions I've been trying to figure out, is whether that's the reason why we're -- why they're seeking a city creation.

[10:53:13 AM]

>> I think in some respects if you look back at the time frame, we presented to audit and finance committee, council went on summer break, we came back with the budget process that goes through mid-september, I was one of the primary people working with them on the P.I.D. And had limited time to do that. At the same time, the issues with the whisper valley P.I.D. Inability to pay their special assessments came up, and so that consumed an awful lot of time and during that time frame they made the decision that the county kept pressing them on the deadline, the November deadline, and one of the meetings with the county staff about the deadline, they suggested that, well, the county could create the P.I.D. Instead of the city. And so they, by December -- early December decided to take that route. As you know, our discussions about the workout for the whisper valley P.I.D. Continued on through early December, and so really that consumed an awful lot of time. I'm not sure that the council would have really wanted to create another P.I.D. At the same time you were addressing those kinds of issues. So that's --

>> Tovo: I had forgotten all of that context. That's really helpful. Thanks.

>> Mayor Adler: Okay. Thank you very much. Let's call up the briefing on ballot language, bond.

>> [Off mic]

>> Mayor, council, Robert Goode, assistant dsm.

[10:55:17 AM]

We're going to go into more detail about the decision you have in front of you Thursday. The first chance you would have to consider calling a special election for bond package in November. Mike Trimble is passing out another piece of paper. You've going to have three documents in front of you, a redlined version of the ordinance that we had -- we gave you on August 2 with some changes that you may want to consider and so we'll refer to that today, and then we thought it would be wise to show you a slide we had in the August 2 language on ballot language with some highlights there on some things that we want to talk to you today about. So I'll go through real quickly the intro slides. I think we can -- I can get to the gist of it. So this is a reminder about the ordinance you have in front of you on Thursday. There's several parts of the ordinance. Part two is the proposition. That's, again, the question that we would put before the voters. That's got a lot of the detail in it on the projects and the categories that y'all have chosen to allocate for the voters to look at. Part three is the actual ballot language that the voters will see in the voting booth. Part four is financial tax information that's prescribed by Texas statute that we have to have in this ordinance calling a special election and then part five was implementation provisions that y'all had -- in your, you know, resolution had given us very specific direction on some implementation guidelines. And so the attorneys tried to accommodate that June

resolution and put this in the ordinance but we do have some information to share on part five and some concerns that we have going forward with that. So we'll talk about that in greater detail. And then part six and ten are just another -- again, election information that is required by Texas statute. So wanted to get into some potential changes.

[10:57:19 AM]

The -- again, the sheet that Mike handed out is the ballot language that we had on August 2. We heard a couple things from some councilmembers on the regional mobility project and one of those was the oak hill parkway description. The intent was -- for that project was old bee cav road bridge, which is a part of the oak hill parkway project but some of you thought that wasn't descriptive enough and that perhaps shouldn't be in regional mobility. So if you chose to do that, this is how we would recommend you would do that. Again, you can go back to the language that we had on August 2, which included it in the regional mobility project. You could just clarify that it's old bee cav road rather than oak hill parkway. Again, your choice. If you chose to move it out of regional mobility, this is how you would do that, reduce that flub to 93 million and put that old bee cav road funding in the local mobility and capital renewal. That's part of what you have, you have those options in front of you. The recommendation we had August 2 is just as good as it is today, we have that \$101 million there but it is somewhat confusing because the oak hill parkway is a large project so that's something you all with have to wrestle with. The second part of this is what we heard is some concern about not having dollars allocated for the specific projects loop 360, spicewood springs, Anderson Millwood, 620, Parmer lane, so reacting to some concerns we had there we thought you could consider putting those into some buckets, some further buckets, and allocate the 63 million, 360 and spicewood springs, and if one of those projects came in under we would have the flexibility to move it to that other project. Same thing with the projects that are in the northwest, is you have a bucket of that 30 million and depending on how it comes out we can have some flexibility but only move the funds within those buckets.

[10:59:23 AM]

So, again, reacting to what y'all had given us some concerns and we thought that's an option you may want to consider as well. So moving on to the corridor mobility projects, this is, again, we heard some concern from some councilmembers that the south corridor you had mentioned in the -- in your resolution and in our August 2 recommendation was not specific enough. So this is a way you could make it more specific, by actually naming the corridors that we would look at in that corridor program, William cannon, slaughter lane, and manchaca, both on our critical arterial list. And, therefore, if you chose to be more specific to the voters and to staff, then that's a way you could do that. We were fine with the south corridor but reacting again to how y'all want to move forward, you could have specificity in that language by naming those corridors. And then this is just a reaction to, again, moving, if you chose to move old bee cav into local mobility you would need to change that local mobility number to 145 million. We also heard concern from some councilmembers urban trails, lumping them together doesn't give staff enough indication about how those allocations should be made, so this gives a little more specificity in that area to actually identify the 27 and a half for the sidewalks and the 27 and a half that your ordinance, your resolution gave us direction to split the rest of that money by district for the safe route to school program. And then that would put 30 million in the urban trails master plan. I think that was your intent. Again, we're trying to be a little more specific to match what we think your intent is. You can go back to that original language if you prefer. So this is the recommended ballot language, if you chose to add specificity to those corridors. As I mentioned, also we didn't have in bikeways and sidewalks in the original ballot language.

[11:01:26 AM]

Some folks have said that's important to have those categories mentioned in the ballot language, so that's a ballot language change that you could look at, if you so chose. And now I want to get into a potential council resolution. We've heard some things, as we told you, we were going to seek some advice and some preclearance preliminary information from the attorney general. And their initial reaction to that, they're still giving us more information, is what you put in the ordinance, calling the election, is what they will have jurisdiction, for lack of a better word, over, so the more guidance we put in the ordinance, which we were trying to do to match your resolution, the more than the attorney general will then weigh in at some point and say, so you, council, asked the voters to weigh in are these corridors walkable and do they reduce congestion and do they help improve transit. The attorney general will have an opportunity to weigh in and see if we've really done that. I'm not sure that's exactly what this city council would want. So we're going to strongly recommend -- [lapse in audio] -- To resolution. It gives then -- the council is giving staff and the community direction on how to implement this bond program and how to move forward. So, again, that's the purpose of the resolution, and so we would recommend, again, that's why in your red lined version, you see the part 5 is deleted, we would recommend you bring a resolution forward, we can help you put that together if you so choose, an item from city council saying this is giving the city manager direction on how to simple M this program -- implement this program and what we find is important as a policy for these corridors as we move forward. I think I've explained -- I want to turn it over, mayor, if you don't mind, to talk about what the bond information brochures do. Mike's going to do that for us, and the bond website.

[11:03:27 AM]

Because a lot of the information, R I think I've seen -- we've heard you say is important for the community to know. And originally you were talking about putting in the ordinance. Now, again, we're going to recommend you don't do that. I want to make sure you know -- want to make sure you know what's in the website, so,

>> Mike: , If you can help us with that I appreciate it.

>> I'm going to talk to you a little bit about what we include in the bond informational brochure. So if council calls the election in the next week or so, what we would do is quickly go into production mode for the bond informational brochure.

>> I'm sorry. Yes? Point of privilege. Just to clarify, a bond informational brochure has absolutely no legal significance as to how the money is going to be spent. Is that true or false? I think that's true. The bond informational brochure -- >>

>> Mayor Adler: Let's go ahead and let him make this presentation and then we'll ask questions about it.

>> Okay.

>> Okay. And I'm just going to talk about some of the key pieces in the informational brochure. This is one of the main vehicles we have as city staff to provide information about the bond program, those projects and programs that are included in the bond package that is put before the voters. And so we have a lot of other information that we put in there as well, and one of the things to keep in mind with the bond informational brochure is that once the election is called, city staff and city resources are under the constraint of not being able to advocate for or against the proposition. And so we have to go through a lot of legal review for any information we provide on the city staff side once the election is called, and that definitely includes the bond informational brochure as well. Some of the key pieces of information that we've put in the informational brochures over the past couple of bond elections include, obviously, the bond language -- the ballot language for the bond proposition. We typically put

that into the informational brochure. We provide a brief description of the proposition. Something a little more succinct that voters can quickly understand about what they're voting for.

[11:05:33 AM]

We provide descriptions of the programs and the projects to be funded. We provide financial and tax impact information, and then other factual information for educational purposes, as -- as deemed necessary. Typically, we provide a little more information detail for the single proposition bond elections that have typically been transportation, and so we'll have more information, like we'll have maps and other things, other descriptive information. Other information we may provide also is an overview of the bond development process, whatever process that we went through and the council went through to actually prioritize the projects and programs that are being put before the voters. And then we include voter information, we include election dates, early voting dates, and we provide where to go to get additional information, bond website is another vehicle that we have for providing information out to the community. And I'll talk a little bit about that in a second. So I want to provide an overview of the types of information that we've had in some of the previous bond elections. And as I mentioned, when you see, like, for 2010 and 2014, those were single proposition transportation bond elections. There was a little more detail provided. We would anticipate providing that type of detail, similar detail for a potential 2016 bond election and bond informational brochure, including maps, including an overview of the prioritizations process, et cetera. And then on the bond informational website, we would, of course, provide the electronic version of the brochure. Once we do the brochure, we'd make sure that we have paper distribution to several locations, city facilities, libraries, rec centers, and a lot of other locations that we can put it out to in the community. We do have some constraints on that as well regarding election considerations, but we do our best to get it out to several -- several places in the community. We also do have it online. We put it on the website, along with the ordinance that's actually passed by councilment we'll put any potential resolution passed by council, all of that information will be put out on the website.

[11:07:41 AM]

[Lapse in audio]. Get questions during the election process, we vet those answers with our city staff and with legal, and we'll provide additional information as available out on the website as well.

>> Mic, I just have -- Mike, I just have a really quick question. You said you are somewhat limited in where you have the educational materials, and that relates to in those instances, where, for example, a rec center is also a polling place?

>> That's exactly right.

>> Pool: Okay. Thanks.

>> Just to wrap it up before we answer any questions that you might have, you do have this posted on your agenda for Thursday. And, again, if this is an ordinance, so this will take three readings, so we need to preserve some additional meetings if you need that immediate time, so we also will post it on August 18th. And so that's the move forward, and we're here to answer any questions you may have.

>> Mayor Adler: Okay. I have some. I'll start. And I look forward -- I know there are different councilmembers that have proposed some language and you've tried to help facilitate by saying if those councilmembers could get their language done, this is an appropriate way to do it. And I appreciate you laying that out for all of us to see. And I look forward to working with councilmembers over the next couple days here to try to work through that. I'm excited about the bond election. As I travel around the city, I hear more and more support for the \$720,000 bond. I hear a lot of support for the three buckets that we have -- we have put in. My sense from talking to a lot of different people is that the groups that

came together to kind of prioritize what went into different buckets did a really good job of weighting or balancing competing needs for modality and geography and all kinds of things, but most importantly, need.

[11:09:52 AM]

Because I -- I think that it attracts that. I think that people understand that we're moving forward with the plans that have already been done primarily in the corridor studies, and they appreciate that we're moving forward with the work that has already been done. And I am appreciative of the leadership that other members of the council are taking with councilmember's kitchen's resolution which I think we're considering also on Thursday or next week, to set up the bond advisory commission with the \$250 million or half of the bond capacity we have without raising taxes, to put that as seating a citizen engagement process for the other things that we need to spend money on like affordable housing or blood blood -- flood buyouts and I'm happy that process will be kicked off at at the same time we're doing this. With the specific language, and not so much to resolve those issues today, but to kind of set up the conversation that I hope to be having with councilmembers over the next -- and staff and the groups that have been working on this for the last several months, kind of the issues. The reason that the -- starting off with the proposition, in that first bucket, it's been identified as \$101 million. I think a lot of people have seen that number over the last nine weeks. I think that the point is well taken from councilmember troxclair that rather than saying the oak hill parkway, it should say old bee caves road. I know that when that group sat down and was trying to figure out what the regional component would be in -- in the southwest part of the city, it was hard to put something into the package because the planning was not yet at the place where it could actually happen. So there were conversations, I know, with txdot and with staff and with other people trying to figure what -- what would be the regional component in the southwest part of the city.

[11:11:59 AM]

And it was proposed by that group that the regional component for that part of the city be an element of what was the oak hill parkway or old bee caves road, which is why that was put in as part of the regional program, because that's how the discussions arose. They gave rise to that. And I think it was important for a lot of people in the southwest part of the city to see themselves present in the regional bucket that this had, so that they could see that their interests were being considered. Obviously it's not all we need to do in that area. I was at a campo meeting yesterday, and they laid out the park and ride plan regionally for -- [lapse in audio] -- Posed in the southwest part of the city. In the -- councilmember troxclair's district or the intersection of that intict with councilmember kitchen's district. So I think we're looking at lots of different things. But just for my colleagues to know on the council, the reason that old bee caves road was put into that 101 bucket, which is the way people have seen it over the last few months is for that reason. Obviously, from a funding standpoint, it doesn't make any difference if it's here or if it's later, but I would suggest that we should be transparent and we should change it to be obviously the old bee caves road sh because that's what it is. But if we kept it where it was that it was when we passed the ordinance in June, then we're staying with what it was that we passed in June. It's also going to be the same thing people are used to seeing for the last several months and it means I don't have to keep answering the question when we went from \$101,000 down to \$93,000, did that end up going to bicycles or sidewalks or something else, it's going to invite, I think, concern, that somehow or another we're changing what it was we did.

[11:14:06 AM]

I know this is not a substantive change, it's a clerical move, but given how it arose in the context of a regional conversation, I'm comfortable keeping it where it was that those groups put it when they were working through their -- working through their proposal for all the significance, I think, that they intended it to have. The next issue when you were talking about the -- the breakout in the -- in the language, you know, again, there were lots of different groups and lots of different places coming together and trying to negotiate out an agreement. And one of the ways that the group that were involved got the consensus they did was because it was focusing on corridor plans that people could see. And the corridor plans that we had already spent thousands of hours on and millions of dollars on, and were most in the pipeline ready to move forward. That's why the proposal was brought to the council to focus the \$482 million section on corridor plans that had already been done. Part of the \$482 million was to tee up the next set of corridors that were not approved by the voters in 2010 and 2012, but to now do what was done in 2010 and 2012 for the next set of corridors, and that included a lot of roads that were in the south and in the southeast and in other parts of the city that were not in that first chunk, that first group. When we had the meeting, councilmember kitchen asked that there actually be put into that group a spot for a south Austin road.

[11:16:09 AM]

It -- I will say, honestly, it taxed the -- the coalition because at that point we were including a road that did not have the prior support in the ballot, and did not have an established corridor plan that people could see. You know, when people look at the corridor plans, different people are looking for different things. Some people are looking for road improvements and congestion relief, and some people are looking for protected bicycle ways, and some people are looking for transit, but we have those plans and people could see them. But at the urging of councilmember kitchen, at the meeting in June, this council voted to go ahead and add to the seven identified corridors, an additional corridor in the south. And that's what we decided to do in June. And I think that the language we do here should -- should reflect that decision that we made in June. You know, it tested, but I think still held together that larger coalition to add a road that people didn't see. I think there's some desire in the community to have us pick that road, to either pick William cannon or to pick slaughter to do that, and whatever roads we don't pick, to put into that next group to say that, you know, they get put into the design and planning process so that they're immediately ready to be Teed up as -- as well. But it -- [lapse in audio] Audio] -- To engage on that with the group and with councilmembers, my colleagues, over the next couple days. Mindful that this is a big ship we're trying to steer into the -- into the dock with a lot of moving parts and a lot of different people that are looking for different kinds of things in the resolution that we have.

[11:18:17 AM]

The suggestion that we break out into three buckets, finance buckets with respect to the \$137 million for the -- what we were calling local mobility projects and -- is detail that, I think, fits. That's what we did, that's what we discussed doing in June. And then with respect to the proposition language, you know, having the \$720 million, I think, is right, taking out oak hill parkway and replacing it with old bee caves road, I think is the right thing to -- the right thing to do, so the language that sets out specifically that we're doing sidewalks, urban trails and bikeways, I'm fine with because that was a big component of what we're doing, if that was the will of the body, because that also reflects what we did in June. And then taking the part 5, in essence, and putting it into the separate resolution, I hear that that's the strong recommendation of both staff and from legal for different reasons, and that's something we can discuss, too, but it's something that I'm inclined to support given that recommendation. You know, I

think that -- you know, at some level, some measure -- we really -- not only, I think, do we look at how we have done bond elections in the past, because this is consistent with how we've done bond elections in the past, and we have a good track record in this city of passing bonds, and I recognize that the issue is a trust issue. And I don't know -- I don't know where the mistrust comes from. We're having a very public hearing talking about what it is that we're doing.

[11:20:19 AM]

We have talked about increasing the -- the -- and institutionalizing more oversight by this council on how this money is being spent, and I would join in my colleagues in having staff come back to us semiannually, three times a year, four times, whatever it takes, for council to feel like they're -- and then the public is able to see how it is that that money is being spent, because I think that transparency and that accountability, as well as the council's ability to be able to direct, is a really important thing to have happen. But from a legal standpoint, from a structural standpoint in terms of being able to act in the best interest of the city, to be able to respond to events as they happen or development as it happens or capital improvement projects as they happen, I think that we should both be supporting and holding accountable in a very public way our staff. So I think thank -- thank you for laying this out in response to some of the questions that came from council. I appreciate you giving us options, how we would address those. I'm inclined to go pretty closely with the recommendation that you made that you said you still stand by that we got earlier, but with a very open mind over the next couple days, I look forward to engaging in discussions with my colleagues. Mrs. Kitchen?

>> Kitchen: Thank you, mayor, and thank you very much, Mr. Good and your staff. I mean, you've done an excellent job through all of this, helping us try to put some language together, so it's very much appreciated. I wanted to just let my colleagues know that I will be posting very shortly, and -- final putting together some language around some amendments, as well as a resolution.

[11:22:32 AM]

So let me just -- I'm just going to quickly talk about what that might look like, and then, of course, there's plenty of time for us to talk about tweaking the language and all that. I'm putting that out there now, just for purposes of having, you know, something more concrete. I talked about think this last week, but I didn't have something concrete. The purpose of putting this out is just to have something more concrete that people can react to.

[Lapse in audio] -- Along the lines of the ballot language itself, in other words, the language that actually goes on the ballot being more general, specifying the 720 million -- specifying the buckets, without dollars in the buckets, but being more general. And the idea being on the actual ballot language to -- to be as clear as possible without confusing voters. So listing roads, but not putting the detail about the dollar amounts in the buckets. In the second piece, which is the proposition language, which -- and the reason I'm suggesting this is because I understand the proposition language to legally bind us, and that's the only reason I'm willing to put less detail in the ballot language, is because I think that the proposition -- I'm understanding that the proposition language legally binds us. So in the proposition language, I'm suggesting more detail, and that detail just tracks with what we've said before, with the buckets, the 101 million bucket with more detail for the roads -- the dollar amounts for each of those roads, et cetera. So that's -- and what's important to me, from a clarity purpose for the public and for our contract with the voters, I'd like to have that level -- I think it's important to have that level of detail in the proposition language. And then I'm understanding the concerns about putting the guidance on the process issues in the ordinance, and so I'm comfortable putting it in the resolution.

[11:24:33 AM]

I want to make sure that with -- with our legal staff's help, that we make sure that by putting it in the resolution, it's still binding. My understanding from various conversations with the attorneys is that you can put it in a resolution and make it binding. So I'll be talking with them about that. So let me drill down a little bit more. I won't take y'all's time to go through what I'm suggesting in terms of oversight, but I've had the chance to work with our staff, and I think it works and incorporates in the policy items that we all passed in -- on June 23rd. So with regard to the south Austin -- with regard to the bucket on the corridor improvement projects, I would like to explain my concerns and thinking about the south Austin corridor. I certainly appreciate the language that was adopted with regard to 1 south Austin corridor, and I certainly appreciate everybody's efforts on that. I do want to say, though, that that was not my original language because I recognize that at this point in time, pointing to one south Austin corridor doesn't get us there. So what I'm proposing is language that says slaughter/william cannon, and I add originally thought of manchaca road, but I think we can move off of manchaca. There may be other ways to deal with manchaca, so I think it's okay to ratchet down to slaughter/manchaca. And the reason for that is that makes sense in the ways that we've looked at other corridors in the past, we've looked at north Lamar and Burnett in that way as a whole, so I think it makes sense to look at slaughter and William cannon. I think we can certainly answer the concerns of those folks that were nervous about spending dollars on a corridor where they hadn't seen the plan, and I think we can address that because we're going to go through a full public process for corridor planning, just like these others have done, and I think we will get there.

[11:26:47 AM]

I don't think that we need to name only one corridor for south Austin. I don't think that makes sense. So I think naming slaughter/william cannon narrows it down, but still keeps with a practical approach about what this might really look like for south Austin. I also really, really very much appreciate the coalition that's been working on this, and certainly greatly appreciate their perspective, but I have to say that there are other people's perspective, including folks in south Austin that I've been talking with, and I don't think that the intentions are any different between the folks that I've been talking to in south Austin as well as folks in the coalition, so I don't think it's a problem. I think that we can all be on the same page, and we'll continue to have conversations around that, but I think we can all be on the same page that wording this such that it talks about slaughter/william cannon, those are both important corridors on the critical arterial list, they're both -- go east/west all across the south, and I think they would go along way towards -- [lapse in audio] -- So I just wanted to add that clarity. And I apologize, I'm asking my staff to bring -- go ahead and bring me down copies, so I'll both post it and pass it out to you-all. So...

>> Could I just ask a clarifying question.

>> Mayor Adler: Sure. Go ahead.

>> I'm looking at the redline ordinance that was handed out from staff this morning.

>> Kitchen: Yeah.

>> And I'm looking at the top of page 2 of 6, and it does have the three streets that you mentioned, William cannon, slaughter lane and manchaca, so it sounds like what you are suggesting is dropping "And manchaca road."

>> Kitchen: Correct.

[11:28:47 AM]

>> Pool: And shifting the order of William cannon and slaughter and instead saying slaughter lane/william cannon, and then the deletion and continue on with the existing language?

>> Kitchen: That's correct, I don't care what order, I see those as working together.

>> Pool: Okay.

>> Kitchen: But, yes, you're right. I apologize for the confusion. We just learned that there is likely another way to deal with manchaca, so I think we can take it out of there. So -- so...

>> Pool: That's great. I just wanted to make sure, because I saw it was still in here and I wasn't sure if you were going to need us to change the language, but it looks like --

>> Kitchen: Well, what you have in front of you from the staff, yes, my motion changes other parts of the language somewhat.

>> Pool: Okay.

>> Kitchen: But not that.

>> Pool: But the two things that I talked about just now. All right.

>> Mayor Adler: I think staff was just trying to reflect what they were asked.

>> Kitchen: Yeah, I had asked them.

>> Mayor Adler: Reflect what councilmember kitchen asked help to do.

>> Kitchen: Yeah.

>> Mayor Adler: So it's a work in progress and I look forward to being part of that work here over the next couple of days.

>> Pool: It's also at the top of three.

>> Mayor Adler: I do hope that the council would at the meeting on Thursday, be able to pass this on first and reading second only, keep it open until the 18th for further conversation, but to help facilitate the process. Further discussion at this point on any of this? Mrs. Houston?

>> Houston: Mayor, I'm glad you're so upbeat about that, because the feelings I'm getting from the community is the same old business is the way things have always been done at the council. I'm not sure who the coalition is, of course I've never had any contact with them, so people feel that that coalition is part of that legacy in this building that makes decisions from the top and passes it down to the people at the bottom without giving anybody opportunity to participate in the decisions of their lives.

[11:30:51 AM]

When you said this is a usual process, how long does it usually take to get a bond proposal on the ballot.

>> This was aggressive.

>> Houston: I'm sorry. Say it again?

>> This was aggressive.

>> Houston: Could you tell us what that process usually is.

>> Sure. I think we said 12 to 15 months, Mike.

>> Houston: And we're doing this in about six? Okay. That is aggressive. So what I'm hearing in the parts of the community that I'm in, and some other parts of the larger city is not that. It's that -- you asked about trust issues, and it's those kinds of things, the lack of transparency, the lack of inclusiveness, the lack of engagement prior to being presented to the document that you could either vote for or vote against, period. Now, you can make some subtle changes around that, but there's still some very -- a lot of uneasiness, people -- the tax burden, what is that going to do, and people say, well, it's only going to be. But for some people, the elderly, people with disabilities, folks living on fixed incomes in apartment and homeowners, it's just only going to be a lot of money to them. And there was no compromise. We couldn't compromise down, so that you could get more -- well, some more additional people to support it, but we had to go big. And so in that, we've lost a lot of people because they don't feel like they've

been included in this process. You asked why the lack of trust. I thought I should share with you what I'm hearing.

>> Mayor Adler: No, no, and I appreciate that. And the conversations that I have with people around the city, including my constituents in your district as well, I -- I will recognize that I hear some people express the exact sentiment that you have just expressed, but then I also hear other people that recognize that this isn't just a 12- to 15-month process or even a three-month process, that this plan represents to a large degree the vote of the entire community in 2010, the vote of the entire community in 2012, as those bond packages were being developed, and this is the next step with the elements that were set in motion.

[11:33:05 AM]

People that spent a long time -- [lapse in audio] -- I -- I think that there has been a lot of community involvement and participation in pushing this forward, and I think the fact that -- well, I hear what you're saying, and I think that we have time now to talk to the community, to others that might not be aware of all that has gone into getting us to the place where we are now. Mrs. Kitchen?

>> Kitchen: Just one other question, and this relates more to process. You had mentioned wanting to pass this on first and second reading on Thursday. I don't have a -- you know, particular preference on when and how we pass. I would simply ask that we give people the time to think about this. And that we not feel like we have to pass it at all this Thursday, if people are not ready. So I certainly understand that that's the goal that you have, and I appreciate that, and I know we want to move forward, but we have until the 18th, and I don't think we're bringing forward things that will cause concern at the attorney general's office, so I think it's very important that we not feel like people haven't had the full amount of time to think about this and talk about this. So -- and we had talked before, last week, about our process being that on the 11th is when we have input from the public. That's the first time that we're going to have specific input on the ballot language from the public, so to expect us to vote on first and second reading on the same day that we have public input might be realistic, but it might not. And so I don't want us to set up a situation where we are pressured into feeling that we absolutely have to vote on it on the 11th.

>> Mayor Adler: And I agree with that.

[11:35:05 AM]

And I stand by the earlier discussions that we've had as a group. I mean, if we're in a position to be able to do that, facilitate the process, that would be my preference, but I -- but certainly, that's -- Thursday is primarily the ability for the public to come in and talk to us. Mrs. Garza?

>> Garza: I absolutely appreciate your enthusiasm, mayor. I know you've done a lot of hard work on this and that you have a lot of, you know, different groups that are -- have input, and, you know, we can never please everybody. I wish we could implement the entire sidewalk master plan and all that stuff, and I understand that this is an effort to try to include all those interests to get something for much-needed infrastructure, but I, too, when I keep hearing about the -- this coalition, I don't though who that coalition is. And to hear that the coalition is not too happy about William cannon being specified because they don't think that that was part of whatever plan was put in place, it -- that's hard -- it's really hard for me to go back to my constituents and explain to them that "They" don't think that William cannon should be in this. And I wish some -- I wish, you -- all of you would go drive east of 35 on William cannon that isn't even paved. It feels like you're driving into Louisiana, no offense to Louisiana -- [laughter]

>> Garza: When you go east of 35. And that part of the community, many of them told me when onion creek -- when the onion creek bridge was being completed, all of a sudden -- and I don't know if there's any truth -- that this was the real reason, but they said resources were taken from that and nobody knew why they hadn't finished paving it, why they hadn't striped it, they hadn't finished that, even though all the work had been done.

[11:37:10 AM]

And they've told me that they were told, well, we need to finish the roads for circuit of the Americas, we had to move our resources out there to do that. So your community is going to have to wait until that gets done, and then we'll come back. And, again, I don't know if that's -- that's what I was told from constituents. So I -- you know, I've expressed my concerns before with the expediency of this process, and it's really hard for me to go back and -- I've been talking to voters as well, I was doing other stuff related to my position here this weekend, and many of them, without me even bringing it up, said that -- they brought this up and said, why isn't there anything for south Austin? So whatever coalition this is, I hope they're watching and listening and hear that south Austin needs improvements, too, and we would appreciate whatever that can be added to this bond that helps -- [lapse in audio] --

>> Mayor Adler: And I support that, too. The bond proposal is laid out, I want people to -- make sure they understand, one, we'll talk about the specifics as we go through, and it has us with William cannon at the very least, and/or slaughter at the very least, it has pleasant valley road being Teed up, the same way la more and burnet road were Teed up by the voters four years ago, it has a lot of investment in sidewalks and other infrastructure, so my hope is that as people see this package, they'll see that there is a lot of investment and cueing up and acting now -- not waiting, but acting now all over the city.

[11:39:13 AM]

Mayor pro tem?

>> Tovo: I appreciate all the discussion. I want to go back to a question that we asked -- or that I asked staff to talk about a little bit last week in executive session, but I think it's appropriate for this conversation here. I mentioned that out in the community, I'd heard several questions about -- about what it means that we are quote, unquote, reserving \$250 million for later bond needs, and it -- as we talked about it, it became clear that some people believe that there may be some existing money within this bond package for some of those other needs. And so I wanted you just to explain, for the benefit of the public, what that -- what that means. And I think we should stop -- frankly, I think we should stop using the language "Reserve," because it really does give the impression that we may be allocating some money in this current bond proposal for later need when really, as I understand it, we will have the ability to go out and ask the public for an additional bond several years from now, because we'll be diffusing some of the current debt. And so that's really, I think, the message that I hoped you could help us convey to the public. That that's where that ability later on to do another bond package will come in.

>> Certainly. Greg canaly, financial services, mayor pro tem, just to take council back to where we were when council Teed up this discussion about a potential bond election, we initiated that process. One of the key elements of that is going through our financial capacity and bond capacity. When we did that, we took an eight-year look at our existing bond programs and existing bond structure and looked at existing tax rates, and we determined that we had \$500 million in bond capacity over the next eight years without having to increase the current debt service motioner of the tax rate. Just as a reminder, our tax rate has two pieces, the operations piece and the debt piece.

[11:41:14 AM]

So they are projections, they are a look out into the future, it's an eight-year look out into the future with lots of assumptions about that. But it really becomes a planning tool for the discussions about how to -- to marry up with the programmatic and infrastructure needs. During the course of that discussion, once we laid out that \$500 million number, based on the conversations that council was having, that the potential election you're talking about 42016 was going to be for mobility and transportation only, there was a desire to begin the work at looking at potential future bond election in 2017 and 2018 and those conversations have started. When we look at that \$500 million, again, from a financial perspective, it's \$500 million over eight years. When we look at having a bond election now and saying that the \$250 million of that 500 million, really the conversation is council has addressed the \$720 million need, and the way we've approached that is 250 million of that can occur without a tax rate increase. And the other 500 million -- sorry, the other -- the remainder of that, oh, it's about a two and a quarter cent. You're absolutely correct, there is nothing in this bond program that would put in a drawer, put aside \$250 million. We would not be issuing bonds for \$250 million and waiting to spend them after a bond committee. They are estimates of the future. We believe, if the city council chooses to go forward on a path of an additional bond program in 2017 or 2018, we believe a starting point for that discussion would be that \$250 million could be available at the constant tax rate at that point in time. On top of which, if a bond election was desired to have a bond program higher than \$250 million, our excrements, -- estimates sitting looking ahead, that would require an additional tax rate.

[11:43:19 AM]

So, again, there is no set aside of actual bonds --

[lapse in audio] -- These are planning numbers, estimates to look out into the future to help put context to the conversation that you're having.

>> Tovo: Thank you.

>> Mayor Adler: I am happy you raised that point, because I think there is confusion in the community about how that interplays. My hope is that it doesn't take several years. My hope is that the bond commission, citizens commission comes to us and at least examines the feasibility of coming back in 2017 with addressing some of these needs, which I think are real important and critical needs in the community. And if "Reserve" isn't the right word to use, I'm not -- what we're doing is leaving untouched what we estimate to be \$250 million in additional bonding capacity we can do without raising the tax rate, or we're not accessing, or we're not exhausting. Mr. -- Is there a -- do all those words accurately describe what we're doing?

>> Yes. I would say that, again, we're -- we'll come back whenever the due -- whatever an additional bond timeline might be, we'll come back and update test -- the estimates. I think the point to take away from it is that another bond program can be initiated sometime in the next several years, whether it's 2017 or 2018, that could result in \$250 million without having to raise the tax rate at that point in time.

>> Mayor Adler: Okay. Thank you.

>> Again, subject to updating -- updating those assumptions, estimates 12, 13 months from now. I think the word reservation has different connotations, and I think it will be clear, there is no sale of bonds, there is no set aside of funds, there is no money -- it is a planning term to indicate that a future bond program can also occur without a tax rate impact for an amount of approximately \$250 million.

[11:45:34 AM]

>> Mayor Adler: Thank you.

>> Troxclair: And I just want to make sure that I'm really understanding this well, so I can have those conversations. I mean, that 250 is not reserved or set aside, and we're not preserving it, because it's not available? I mean, it's not going to be available until some of the debt rolls off, and then we can contemplate another bond election without increasing rates. So it's -- it really is separate and apart from -- it provides -- I understand why we're talking about it, it provides context to the discussion we're having, but it doesn't have a relationship, really, to the bond we're asking people to approve today, not a... Not a really clear one, except that some of that debt may be what rolls off that allows us to go out and do another bond election without increasing people's tax rates, but we're -- we're not preserving or reserving or setting aside, because it's not available, that capacity is not available now, wouldn't be available?

>> It's a planning assumption for the future.

>> Troxclair: Would you say how I said it is accurate.

>> It is accurate. There is no set aside. We are trying to do two exercises at once, in essence. We're doing an exercise about a potential 2016 bond, and we're trying to forecast out and estimate out given the potential of a 2016, what a 2017 or 2018 would look like. So we're doing two exercises at the same time, that we typically have not done. I think we've come up with a way to do that. I understand that the numbers can be conflated, but I would reiterate again, no set-aside. What we do in 2017, 2018, we'll have to revisit our estimates and numbers. We believe, again, looking out there, we'd be able to have some sort of bond program without a tax rate impact.

>> Troxclair: Thanks for talking through that. I think that's -- I think that does clarify.

>> Mayor Adler: Everybody's going to be watching the tape to see how he said yes to both you and me in terms of description. The questions I get asked by people in questions of practical terms, the people that might be serving on the bond commission, what they say to me is, if we, as a bond commission, get together and find \$250 million of projects that we recommend the city does for affordable housing or for buyouts, are you leaving us in the position with the bond election you're doing now such that if we came back in a year and said, let's go to the voters and get approval for bonds for \$250 million for these other important things, will we be able to tell them that they can do that without increasing the tax rate from where it -- from where it otherwise is, and we're going to be able to look at them and say yes.

[11:48:19 AM]

We're constructing this bond in such a way that you can do a \$250 million bond package, take it to the people and -- [lapse in audio] -- That's the question I get asked. And that's maybe a way to say it without using the words "Reserving or setting aside or keeping," but they know that our best estimates from a financial perspective is we know it's rolling off on the bonds, that's -- we can give them that -- that statement.

>> Troxclair: And it's not just this bond, it's the other bonds as well that impact that decision -- I mean, that impact that capability.

>> Mayor Adler: Right, but we know what the payment schedule is and we know what the bonds are that are rolling off.

>> Troxclair: Right.

>> Mayor Adler: So that part we know.

>> Troxclair: Okay.

>> Mayor Adler: Mrs. Pool?

>> Pool: And just to extend this a wee bit more, if we were to accelerate our dephasing of current bonds, then we could add to the 250 million, we could dephase --

>> When we -- the assumptions about bond capacity, again there are multiple -- they're multifaceted. We look at borrowing rates, we look at our project cash flows for our remaining bond programs that we

still need to sell the bonds for. The city already aggressively pays off its principle. We pay off about 60% of our principle in 10 years. One of the other factors that we consider is we do our debt management is making sure that we are not having a spikey debt service tax rate, because that would result in a spikey O & M tax rate which would make your annual operating budget a little more complicated in terms of setting. So we think we're on a good trajectory right now for paying off our debt, we get our -- our rating agencies commend us on that, on our efforts to pay debt off. We always look at opportunities, I'll say for refunding opportunities, that will lower costs, interest costs for our taxpayers.

[11:50:25 AM]

That's something we aggressively pursue with our financial adviser. That is a perpetual conversation. So I think at this point now, again, we are combining two conversations, which is fine, those estimates in the future, it would be a starting point. And I will also add in, and we might could address this as well, from a needs assessment perspective, that process still needs to go on. And whether that adheres to a certain number or not, typically needs assessment occurs -- this is what we need, this is what we can get done in six to eight years, and then we layer on a financial capacity and then you go through that process to land on a final number, but I don't -- I don't think we would artificially say this is the number that we're working towards. That's not how our planning processes work.

>> Pool: The only point I wanted to make is the -- wanted to make is the 250 is a proxy, an estimate, a talking point, we can affect that 250 by our decisions and policies here on the dais by either slowing down or speeding up the process. We have a position that we're in right now that is favorably reviewed by the bond houses, and that's a really important piece for me, because we need to keep our high bond rating, because that ensures that we have low interest rates. And we also have a lot of interest in purchasing our bonds. So I think it's really key that the city pay very close attention to how we treat our bonds. So I just wanted to make that additional point that the 250 is a number which may be different by the time we get to 2017 or 2018 when we do have those conversations later. I just don't -- for the same reasons that we don't want to lock into a term like "Preserve or discount" or anything, I also want to be mindful that that number may shift and we really won't know. And then, the real reason I raised my hand, the question that I had is actually directed, I think, to Mr. Good, one of the things that -- when I was talking with my neighborhoods who will see some benefit from the bond this fall and they're looking for reasons to support it, they're asking -- we were talking about shovel-ready projects.

[11:52:43 AM]

And one of the concepts that I've been talking about pretty much repeatedly is I would like to see us put those at the top of the list, because they are ready to go or closer to ready to go, so we don't have a long time frame from November of '16 to when we start, people who have voted on the bonds so there's not a delay in them seeing some activity in the neighborhoods. And they can really see items -- projects on the ground. So would we be able to -- and I think this may go a long way to help answer questions that my colleagues are hearing in their districts about what's in it for my neighborhood and what will I receive if I am going to be paying for this? Can we, as part of our educational brochure and our informational projects show which projects are -- [lapse in audio] -- Over the year, is there a way that we can show these ones are more ripe, more mature, more ready -- more ready to kick in?

>> Well, as I said in the presentation.

>> Pool: And would that be a good idea.

>> Okay. I'll give you my two-part answer.

>> Pool: Thank you.

>> Like I said, with some of our single prop bond elections, we have added a little more detail about some of the projects and programs, maps, things like that. I don't think we're going to have --

>> Pool: And let me just say, I don't want that in the ballot language. I specifically mean in the informational brochure that would underpin the ballot language.

>> A couple components to the answer. I'm not sure we're going to have that type of information to that detail to even be able to make that available. There's a lot more to the implementation planning, sequencing of the project, et cetera, that needs to happen over the next several months. So I'm not sure that information would be readily available to provide to the voters in an informational brochure. And that being said, is it a good idea? I think the main purpose of the brochure is to provide education information about the bond program itself and what they're voting for.

[11:54:48 AM]

And so typically the way it's worked is more information is provided out about the projects that are coming online, the phases of work. We have a lot of ways to do that once the election goes forward. Right now, for example, we have the civic online where people can look up projects, what phases they're in. Typically we don't have all that information, though, ready in a package to describe to the voters in the confines of election.

>> I will add, as we've discussed earlier in this program discussion, is if it's -- if you-all choose and the electorate approves a \$720 million program, and part of what we're hearing from you is still do that in eight years, we don't know how to do that yet. So I'm not sure if I can even commit to a timeline, because the first part, we're going to come back in the first few months after November would be, here's what we need to do that in eight years. So I -- we're going to get there, but we have some implementation planning and some things to do before that. The quickest projects typically, and we will - we want to have a successful implementation, obviously, as well, will be sidewalk projects. We don't have all those details, so we're -- but we will quickly launch in all your district sidewalk projects. Those will be some of the first ones that citizens will see concrete on the ground. Literally.

>> Pool: Right. Okay. And I do think, though, that some of the projects are further along.

>> They are.

>> Pool: The corridor projects.

>> The corridor programs. And that's something that we've talked about with y'all as well, the way that you've laid the flexibility is to go find -- here are the metrics we want you-all to prioritize, and so we've talked about having an -- all those corridors launching and coming back to council and saying we've looked at all the metrics you-all told us to prioritize, here's now the path we see on going forward on how to spend that money.

>> Pool: Okay.

>> That would happen during the time frame after the election.

>> Pool: I think that will be really good information to get out as soon as we can, as soon as we have a sense of it.

[11:56:50 AM]

But -- and I think we can continue to talk about the sidewalks and the safe routes to school as being the ones that they will see engaged first.

>> Quickly, yes.

>> Pool: They'll have the priority simply because of the size and all the various reasons for that, but -- but that's very helpful, and I think that that will be a welcome message in the communities as well.

>> Mayor Adler: Thank you.

>> Could I provide some quick clarity. Just to respond, councilmember pool, the language that I passed out, you know, for us to discuss the resolution language, the one that says resolution at the top, when you get a chance, you can look through it and it attempts to capture what Mr. Good just said in terms of the process.

>> Mayor Adler: Mr. Zimmerma N.

>> Zimmerman: Thank you, mayor. I got a chance to work on my impatience. First of all, I want to offer an 'Atta boy, because the latest backup material we had in section five of the proposition, it listed the fact that the city manager could change what was in the bond project subject to, let me read them, high capacity transit plan, transit priority policy, tra strategic mobility plan, by -- bicycle plan, I was going to complain about that but then I noticed it had been struck. I wanted to strike it and you've already struck it. 'Atta boy, congratulations, scary that you're reading my mind. But anyway, let me speak to the mayor's point and to back yummy -- backup my colleague councilmember Houston here -- [lapse in audio] -- City of Austin lawsuit, for the record it's d-1-gn-16-003921.

[11:58:54 AM]

We've had two Travis county judges, one granted a temporary injunction, this is the taser contract for the police body cameras, another judge reviewed it and granted a temporary retraining order, and now that case is set for trial. I'm going to quote from the judge's opinion here, that the taser contract, the quote, was executed -- there's evidence it was executed pursuant to an illegal and improper bid procurement process. So we've had two judges now decide that our city staff may have done something that was illegal in terms of a very expensive \$17 million police body contract. So it's not just an irrational fear or an irrational mistrust, the Travis county judges agree that we have some issues, we have some trust issues, so I just wanted to point that

out. >> Mayor Adler: And, you know, I -- our staff

>> Mayor Adler: Our staff is not perfect. None of us are perfect. In those instances where somebody thinks staff has made a mistake on something. The recourse for that is to bring it us as they did and to bring it to court and I think that's a fine thing for people to do but that doesn't mean you don't trust people. It means there are systems set up in order to be able to correct things when they don't happen right. Ms. Gallo. Then Mr. Renteria.

>> Gallo: Thank you. I want to thank staff and the mayor and the stakeholders that have worked on this process so far. It has happened very quickly and there's been a lot of effort on it. It's amazing that we're looking at one of the largest bonds Austin has ever asked the voters to pass and that we have such support on the council for doing that. I do think that the issue of clarity and transparency is an issue that residents and voters are going to be concerned about. That's certainly the message that I've heard from a lot of people in my district. And so I will definitely be a proponent of making sure if not in the ballot, at least in the proposition that we have clarity as far as dollar amounts that are being spent on specific projects, particularly for the regional.

[12:01:07 PM]

We did -- when we stepped into it this, aa prior business owner when you talk about spending money or getting asking to fund spending money you want to make sure you are convey to them what they're going to spending on and how many they're going to be spending. That was how I approached looking at the road projects that I felt like were needed for the western area of the city. The areas I think in all of the districts that are not in the urban core really feel like that we've -- as a city have not allocated a good amount of money or enough money to road projects in those areas, and so I think there is enthusiasm for this bond because it does include those monies. But as we went out and started doing the research

on it, 360 obviously is a concern for all of the areas, the districts that use that, I would say 8, 10, 6, are all impacted by the traffic. Txdot is working on an improvement plan and the first step will be intersection improvement. In a method Cal way we reached out to txdot and said what are the first steps and they listed the priority intersections on 360, which are basically the intersections including and between Westlake drive and spicewood springs, and they already have dollar amounts. They will be shovel ready in 18 to 24 months and ready for the intersections to have the work started on them. But they have dollar amounts that are estimated for the cost of those. We talked a little bit about matching funds. We went back and looked at other matching fund projects that the city does with txdot and came up with a dollar amount, and so as we look at the 46,000 it actually started -- thousand, it started at 50 and will it's come down to 46 million but that is a viability, matching amount to work with txdot to give those intersection projects priority in their system. And as we all know, there is not enough money either at the state or federal level, certainly at the local level, to get everything done, so we really want to position ourselves in a priority method.

[12:03:17 PM]

So it is important to me that we have recognized that amount. I want to make sure that the amount is in the proposition language because I would like txdot to see that we need able to come up and get the voters to approve 46 million but that's not 50 million, that's not 60 million, that's not 15 million, it's a specific -- 75 million. It's a specific amount. The other issue is spicewood springs, city staff has indicated they felt like that could be done for 17 million, if we could do it less, which there's an indication they may, that's great but it doesn't necessarily mean that I want -- that that money needs to be so flexible that it can be spent somewhere else because I think it's important to the voters and important to the residents to know that they have a guaranteed amount that will be spent towards their project. So at least I guess what I'm saying on the regional piece is we've done the work behind it and we really want those amounts to be before the voters so they know what they're voting on and they know that that money that they're voting on as part of the 720 will actually be allocated to those two roadways. One other point, we also needed to clarify a little bit about the sidewalk money because the money that was split was definitely intended to be used for sidewalks as part of the safer routes to school. We were -- we just wanted a clarification that it would be sidewalks. We heard some concern back that that wouldn't be money spent on sidewalks, but that sidewalks was always what it was intended to be spent on. I did have one other question, and that was we talked about I think, councilmember kitchen or somebody made the comment that the language in the proposition legally bind us. How do we get clarification that it actually does? Is that something that needs to come from city legal? Is that something we ask the ag's office for? I mean, I think we're working under the assumption that language in the proposition would be legally binding, but how old we get clarification of that?

[12:05:23 PM]

>> Yes, it does legally bind you. This is leela fireside and I'm speaking on behalf of the law department, after conferring with bond counsel. And the proposition does bind us.

>> Gallo: Okay. We would be able to get that in a memo and you probably already have put that in a memo and it's gotten buried in emails but if you haven't can we get that verification in a memo to council?

>> Of course, sure.

>> Gallo: Thank you.

>> Mayor Adler: Mr. Renteria.

>> Renteria: Thank you. Thank you, mayor. Now, we've been discussing about, you know, mistrust and in east Austin we have for a decade been neglected, and when we have our bond election, we've gone historically out there and worked really hard to pass these bonds and then, just like the most recent one, where we were promised a fishing pier there if we supported the broad walk on town lake and we never did get it. We were -- we supported the transportation bond in 2008 and Jane Lane was on there and it was promised to be done and we still haven't got it. I don't blame the residents for showing a little bit of mistrust because historically we had always -- we have always come out and voted to support all the bonds that have been -- even my district 1 was the only district that supported the rail bond, you know, in Austin. So, you know, we are very -- we look at the issues that -- you know, that it's affecting the city, and that's why I'm supporting this \$720 million bond. I know that it's gonna do a lot of improvements and the costs that we're experiencing and the travel in this town, I've gotten to the point where, you know, my favorite restaurants are over there in west Austin or southwest Austin, but I refuse to go there because I will not travel, you know, 35 or Ben White.

[12:07:28 PM]

The traffic is just so bad. So it's really also affecting their businesses out there. But, yes, there is a lot of mistrust because historically we have worked real hard with the city in passing these bonds and then we feel like we've just been neglected, you know, and it's these little issues that, you know, \$4 million that we're -- back then it was \$2.5 million for a road that never got done and then we find out it was diverted to other streets. So, you know, that's how it's affected us, you know, but I do think that this is well -- it's needed. And it's been needed for a long time. And we need to get out and really be serious about, you know, helping our residents to move around so that, you know, we're not, you know -- we don't get to the point where we just refuse to leave the neighborhood because the traffic is so bad.

>> Mayor Adler: Okay. Thank you. Ms. Houston.

>> Houston: Thank you, mayor. So many people have talked about safe routes to school and so this is my segue. In the wee morning of June 24, maybe it was the late hours of June 23, the whole issue of you not having funding for sidewalks came up and you talked about safe routes to school. And so I was one of the people that supported that, not realizing that that would take about \$4 million out of district 1's budget in order to provide -- I mean, we've got -- out of district 1, we have the most -- no sidewalks, hardly, in it. And so at some point I'm gonna probably do an amendment, not to take all of it back because I was feeling your pain. I mean, I knew how you feel saying we didn't get hardly any money for sidewalks. So I think that's important, but maybe something less than 50% so that I can -- so that that delta is not four-point some million but maybe two point million.

[12:09:32 PM]

I'm just kind of sharing that out there so that -- I mean, that's 4 million out of sidewalks that we desperately need. I think we can manage with two so I'll see what we can do. I'll work with staff and see if we can come up with some language so that I don't take that big a hit. I didn't realize that when -- because I was feeling your pain. I really do. So. . .

>> Mayor Adler: Ms. Gallo.

>> Gallo: And I appreciate your concerns about that. The staff actually has some really good charts. I know councilmember Houston has been hanging them -- has them hanging in her office that show the allocation and disbursement of the sidewalk money, and I think it's enlightening from the standpoint of where the sidewalk spending is going, and people assume that the newer areas where sidewalks are often a requirement as part of the building of the homes means that the newer areas of our communities have sidewalks, but as I've gone to the different schools around the district, surprisingly

enough -- and it was a surprise to me, a find a lot of our elementary schools that do not have sidewalks. So I think the issue of sidewalks making routes safer for our children to get to school is certainly a city-wide issue and I think each of us as we get to know and have gotten to know our districts better know we all have schools in need of getting sidewalks closer. We'll pull out that information too and I know staff can share that with us but there is some good analysis on how the sidewalk funding is intended to be spent and there's very much a geographic inequity about that. So thank you.

>> Houston: You know, when you said that, I thought, well, I've got some money so let's share it, let's not do that ward politics that people say we do all the time. But then when I got my senses back after coming back from vacation, I thought, my god, I got a hundred -- sidewalk needs of 149 miles and I just gave away \$4 million.

[12:11:33 PM]

So let's see if we can come to something so you can get some and I can get some and then we can make it work.

>> Mayor Adler: Okay. Anything else on this? Mayor pro tem.

>> Tovo: I guess I just have to say that I think that's one of my concerns that I articulated when we made that decision, that when we make decisions to split money equally among our districts, it doesn't -- it's not always a needs-based decision, and, you know, that's -- that is gonna be an issue. I think that not just our council needs to wrestle with but councils in the future, and we just really need to think carefully about those decisions.

>> Houston: And the other thing is making them at that time of night or early that morning.

>> Tovo: I agree with you.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: I would just say -- and we have to drill down on needs. I mean, this is a longer discussion and we're not going to decide today but, you know, needs have a historical bias in them, not because anybody intended to by any means whatsoever, but there are assumption that's go into needs and assumptions change over time. And so when we talk about needs, I mean, you know, it's something that the staff struggles with every day and we struggle with it too. If we had plenty of money to cover any and all needs at all times then we wouldn't have to have this conversation. So I just want to have us recognize that the word "Need" means a lot of different things to a lot of different people.

>> Mayor Adler: Mr. Casar.

>> Casar: And I realize how edgy I was getting by the end of the night too, and so now, with some time, I think that a potential middle ground that folks may be searching for may sort of be before us from what I learned from Mr. Trimble recently, which is that safe routes to schools money, we haven't determined the needs assessment on it yet, and so it actually isn't set out what parts of the city under a needs assessment would get more safe routes to school money or less.

[12:13:34 PM]

It doesn't follow the sidewalks master plan. That is a plan that we actually could put together if this funding is passed by the voters. This would be more fudged than this program -- funding than this program has ever had so we could actually, instead of -- councilmember kitchen, as you mentioned it being historically set up, actually, there isn't a setup for it yet and so this council could work to figure out how we make sure that all of the safe roots to schools money isn't headed to one particular part of town because we actually could work with staff to form that matrix and determine needs and set up a point system. And so potentially a middle ground would be that we still said aside some money for safe routes to schools and want it to go to all different parts of the city but we actually don't have to make this call

between now and Thursday or the next Thursday. For where that money is going to go because we could actually do that as a team.

>> Mayor Adler: Okay. Thank you. Ms. Gallo.

>> Gallo: So we took a vote, and I guess if we're -- if we're redoing votes, then I guess we're talking about everything coming up for the ability to be changed. As I said, the money for loop 360 went from 50 to 46 million. You know, the reason for the clarification that half the money would go to sidewalks was because, absolutely, I think we're all committed to 55 million going to sidewalks. Sidewalks are sojourning funded but what we see, and I will bring those charts, is that there is an inequity in the funding based on the priority for the sidewalk plan. And all of us know that a priority should be safe routes for our children to get to school. The concern that I have is when we talk about doing things and changing things rather than being able to have funds immediately available to implement those sidewalks on those streets that don't have sidewalks on that our kids are walking and biking to school, is that you're talking about a longer system to getting it implemented, a longer amount of time to getting any of those implemented. And we're still looking at now, as we all reached out and tried to figure out the quarter cent funding, we're still looking at not really knowing what the time line is on getting those funds.

[12:15:44 PM]

So I'm just saying that I think all of us agree that safe routes for our children to get to schools on sidewalks, where sidewalks with missing around our schools, is a critical importance and as we looked at the spending in the sidewalk master plan, what we found was when the priorities are transit and when the priorities are office government building, that the schools fall further and further behind. So I just think it is a small amount of money per district, but we in the districts each know what schools are missing sidewalks and we all have schools in our districts that are missing sidewalks. And that gives us the ability to address that immediately so that we don't have any injuries to our kids so that our parents are happy that they've got routes that their kids can get off the streets. I've got a school in northwest hills where there's no sidewalks on one of the main streets to the disallow, and so those kids are walking down the middle of the street to get to school in the morning. And I know we all have schools that we're looking at that situation. So I hope that we remain focused on the reason for doing this and the reason for dividing up that money is that schools weren't the priority and that this would give us the ability to step in and make sure that we get those sidewalks put around our schools.

>> Casar: Sure. I would say two things, one, any change there I don't think it would be moving money from buckets to buckets. It would just be how it's getting spent. But, second, as far as a delay in it getting said, "Set up, it's not like if we set this money aside that there is a way we know how we're going to spend it. That program my understanding it has served three schools that have requested it. We have to set up the priorities matrix ourselves at some 39 so 23 we want to start that process now we could and I'm indicating that maybe we reserve that for a separate discussion. I'll leave it at that. I recognize 100% that every district has schools without sidewalks going to it. I'm just saying that we don't know what schools will get this money from this program because the program doesn't have a -- doesn't have a needs -- doesn't have a matrix for scoring yet.

[12:17:53 PM]

We have to do that. Fellows criteria yet.

>> Mayor Adler: Councilmember kitchen.

>> Kitchen: I would just -- I'm hearing everyone. I'm sure there's a lot more discussion that we can have and I'm open to that discussion. I just caution us along the lines of what councilmember Gallo said a

minute ago, the package we put together and we voted on on June was carefully balanced -- or not carefully balanced. It was basically we all worked together to come up with the best we could. If we're gonna start looking at parts of it, then we might need to start look at other parts of it too. So I just don't think -- you know, I'm very reluctant to do that. It was a balancing act across all those three buckets, and to zero in on one part of the bucket -- councilmember Houston, I hear your concerns and I'm hoping that we can find a way to address those. But to just open up an area I'm really, really nervous about.

>> Houston: You know what? I certainly appreciate your concerns. But at that late at night or that early the next morning, I didn't realize that I was giving away \$4 million.

>> Kitchen: Okay.

>> Houston: 4 million. I don't mind giving away two, councilmembers, because I do understand the need to have safe routes to school and I do -- you know, I have some of those too. But 4 million is a big chunk out of the number 1 district in this city that needs sidewalks. So all I'm saying is try to consider the hit that I'm taking for my community that is the same hit that councilmember Renteria just talked about. The reason we don't have sidewalks is because we've always been on the hind tail.

>> Mayor Adler: All right. Thank you very much. Council, we have two items in executive session. Do we want to break now for lunch and then come back and do the items that have been pulled? What's people's preference.

>> Kitchen: I'd like to clarify that we can take off item 55.

[12:19:55 PM]

We don't need to go there today.

>> Mayor Adler: Okay.

>> Kitchen: Item 31 I think we can take off too. I can take five minutes. All I wanted to do there was just remind people that that language is in their backup. I don't feel the need to have a discussion today so I'd be happy to take that one off also.

>> Mayor Adler: Okay.

>> Tovo: Mayor, could it be an issue -- I mean, could it be an issue, thanks. Could it be an option to spend -- say agree on 10 or 15 minutes to see how many of these items we can hit so some of the staff can head off? I had added three things, all of which I think I can accomplish in four minutes if I'm fast.

>> Mayor Adler: That usually would be my preference because I -- but then I've been accused of denying everyone lunch. But if we can take, you know, just 10 to 15 minutes and let's see and if something looks like it's gonna take a long time then let's compass

-- pass and bring it back after lunch. What are the things people can knock off really quickly.

>> Zimmerman: I was going to say, Mr. Mayor, I think my items, 12, 25, 26, I think there's gonna be more discussion that the public would want to be involved in and maybe these aren't even appropriate for work session. I'm thinking about just asking these not to be considered for work session and let's discuss them on Thursday.

>> Mayor Adler: Okay.

>> Zimmerman: Okay?

>> Mayor Adler: 12, 25, 26. We zipped through those.

>> Tovo: Mayor, can I say with regard to item 12, 1 of the questions that I'll have for staff and I'll need some help figuring out how much of this discussion I can have in public, when we pass the municipal -- when we pass the anti-discrimination resolution, it was contemplated that that external audit could be done within the existing funds. The bid came back. It looks like a little higher than the existing funds and it's now being proposed to come out of a -- a little out of next year's budget too so I'm going to asking the staff about questions about that and whether there's a way to accomplish it within the existing funding.

[12:22:01 PM]

>> Mayor Adler: Okay. Any other items that people pulled they think we could handle really fast? Ms. Garza.

>> Garza: I think I will. I just have a few questions. Never mind.

>> Mayor Adler: A lot on that.

>> Since we only have two, does anybody --

>> Mayor Adler: We have champion that was pulled, number 40, and then the grove. So it appears with respect to the grove that -- is there a postponement request being made by a party to the grove?

>> Gallo: I believe -- I don't believe. They have sent a request for indefinite postponement for this Thursday. So I think as we try to do in work session just to let the public know that it will be postponed, I think the discussion on Thursday will be when it will be postponed to.

>> Mayor Adler: Okay.

>> Gallo: That would be my reason for pulling it today.

>> Mayor Adler: My understanding is that at least at this point, both you and councilmember pool are thinking about postponing it to, like, September 22 or something like that.

>> Gallo: I think that -- if we're gonna have that discussion it will take a little bit longer I think. The main thing for the work session pull was just to indicate that it would not -- there would be a discussion on when it would be postponed to.

>> Mayor Adler: For the public to know it's likely that we're not actually going to be discussing the merits of it, only what is the appropriate postponement date. Yes, mayor pro tem.

>> Tovo: I met with some interested individuals yesterday, individuals interested in this issue, and what I suggested is that maybe we have a time certain for that postponement discussion so that they can -- there can be certainty about when we're gonna talk about that. I would throw out at 10:30 we have a time certain set for the postponement discussion if that's agreeable to my colleagues. I understand that's -- and we should probably always say this at work session, until we vote on time citizens it's not a certainty but I would suggest on Thursday we try to accomplish that postponement discussion at 10:30.

[12:24:12 PM]

Does that sound agreeable to you, councilmember Gallo.

>> Gallo: I think that's fine.

>> Mayor Adler: Are those set on agenda at a 10:00 call?

>> Tovo: Yeah.

>> Yes.

>> Mayor Adler: Okay.

>> Tovo: My goal would be to take it right after consent.

>> Mayor Adler: I don't have with us resolving right after the consent agenda is discussed. What else?

>> Zimmerman: Mr. Mayor, a point on that, though, I'm curious when we made the decision to postpone. I mean, if --

>> Mayor Adler: What we've been doing is always honoring a request that comes from one of the significant parties in this case, in this case one of the significant parties has asked for it.

>> Zimmerman: So this is the first postponement kind of?

>> Gallo: This is the request from the neighborhood for a postponement, the first request.

>> Zimmerman: Okay.

>> Mayor Adler: Ms. Houston.

>> Houston: I'd lining item 52 -- like item 52, request a time certain of 1:00 on Thursday.

>> Mayor Adler: Which item is 52.
>> Tovo: St. James.
>> Mayor Adler: What were you thinking about that, a time certain?
>> Houston: 7:00 P.M.
>> Mayor Adler: Seven clock?
>> May I just suggest that it's a zoning meeting this week so there's no live music and proclamation. It may that be y'all are gonna go all night long on these things but just take that into consideration.
>> Mayor Adler: So the question is, is there a chance we could be done by seven without this this week? I think there might be.
>> Houston: Let's say 6:00 people need to get here from work so it needs to be after 5:00.
>> Mayor Adler: Okay. So can we call it for 5:00? And have people come or 5:30 or 6:00?
>> Houston: People don't get off work until 5:00 and we've just talked about the amount of congestion in this town so I don't think they could get here by 5:30 but 6:00 they could.
>> Mayor Adler: Let's have it -- we won't call it any sooner than 6:00.
>> Houston: Okay.
>> Mayor Adler: Ms. Kitchen.
>> Kitchen: Likewise item 55, Thorton road, similar issues about a time certain. I don't have a preference with it at 6:00 or --

[12:26:13 PM]

>> Mayor Adler: Let's make it also 6:00.
>> Kitchen: We can certainly take 521st and get to 55 after that.
>> Mayor Adler: Let's see who is here at that time. But neither St. James -- that's number -- what was that number?
>> Kitchen: 55.
>> Mayor Adler: 55 and 52 will both be set to be called no earlier than 6:00 P.M.
>> Mayor, we started to talk about champions, number 40.
>> Mayor Adler: Champions, yes, because you pulled that.
>> Gallo: That is going -- staff has received a request for postponement from the applicant to September 1, is that right? I think it's September 1.
>> Yes.
>> Gallo: Okay. So that would be for September 1. That would be for September 1. I don't expect any opposition from the neighborhoods for that.
>> Mayor Adler: To be able to postpone?
>> Gallo: Greg is here just to explain. There's an agreement already between the neighborhoods and applicant that the eastern portion of this tract would not be developed so the applicant and staff and legal are trying to work on the language on how to get that done and need a little bit more time.
>> That's correct, mayor, council. There's a settlement agreement regarding this property so we're dealing with issues in the settlement agreement in line with the zoning so when they're both in sync when we bring this back. That's still in play.
>> Mayor Adler: It looks like potentially there's items set on here that hadn't gone to planning commission yet or the sovereign board. Are there other items on this agenda that we're likely to postpone?
>> Yes. I can go through those very quickly just tell you --
>> Mayor Adler: Why don't you do that.
>> Gallo: Before we get off, can we set that at 10:30 also?
>> Mayor Adler: The question of postponement, yes, we will do that at 10:30 as well.

>> So items number 42, 43, these are related to the lex ox oaks.

[12:28:13 PM]

I understand there's some agreement to postpone these to September 22. That's the regular zoning agenda.

>> Mayor Adler: Okay.

>> Item number 44 and 45 on heflan lane, these are postponements to November, November 10. Item number 49 would be a staff postponement to October 13. Item number 65 staff is requesting postponement of that item to September 22. That's the element hotel.

>> Mayor Adler: Okay.

>> On burnet road. The next case 66, McClure property, staff is also requesting postponement on that item to your September 22 agenda.

>> Mayor Adler: Okay.

>> And we already discussed the grove.

>> Mayor Adler: 42, 43, 44, 45, 40, 65, 66, 50 and 40 and 68 all look like they'll be postponed. Yes?

>> Mayor, I just wanted to clarify when we're talking on Thursday about a postponement on the zoning case that our protocols are one person from each side or each party has one person speak for no more than three minutes and that the discussion as you pointed out was strictly on the postponement and not the merits of the case.

>> Mayor Adler: Okay. I'm fine adopting that rule for this meeting on these postponement requests, we'll open it up one person on each side can speak for three minutes and they speak to the issue of the postponement. We want to try that? Okay. That's what we'll good and do.

[12:30:16 PM]

>> Pool: I'm writing what we have done in the past. It's not a new rule. I wanted to make sure we all knew that was what -- we would do our standard.

>> Mayor Adler: We'll do our standard postponement debates.

>> Pool: Thank you.

>> Mayor Adler: Okay. Mayor pro tem?

>> Tovo: Just a couple quick things. From my list of things that I have pulled. Let's see.

>> Mayor Adler: I have you as 17 potentially and five.

>> Tovo: I had pulled a council item but I can touch base directly on that.

>> Mayor Adler: Five, 17, boards and commission?

>> Tovo: Yeah, boards and commissions, I simply wanted to point out that we were initially slated to take up the question of the sobriety center interlocal government corporation appointees this week and because the county has a little bit lengthier process and they're not scheduled to approve their appointees until, I believe, the 30th of August, we have agreed to kind of take some additional time and meet with them in between now and then so that we can talk about those appointees and then our work group will bring forward our recommendations to the council. So that's why that's not on our -- that's under boards and commissions and that's why that is not on our agenda this week. I just didn't know if people were tracking that initial resolution it was going to come back on the 11th.

>> Mayor Adler: Great.

>> Tovo: I did want to comment, I know councilmember Garza pulled five. I said I had questions as well.

>> Mayor Adler: Let's hold five until after break.

>> Tovo: If I can add one point. My guess is there are questions coming up from -- through the budget process and through other means about the hotel/motel tax funding and my guess is that that's gonna

be a subject of discussion during our budget process and I would propose delaying this decision at least -
- at least for a week -- at least for a meeting or two.

[12:32:20 PM]

>> Mayor Adler: Does staff want to --

>> Tovo: If we want to talk about it today, I'll come back after lunch if I'm able to and ask questions after councilmember Garza relates hers. It looked to me like the contract is not up until the end of September.

>> Mayor Adler: So --

>> Yes, the contract is up on September 30, correct.

>> So, mark, no adverse consequences if the matter is delayed a couple of weeks? I think that's the issue.

>> As long as it was able to be executed by September 30. After that point there's no -- we have to did he fund the convention bureau and that's 75 to 85% of the revenue and it would quickly cease to exist.

>> Mayor Adler: Ms. Garza.

>> The convention center, is this their -- this is their funding from the hotel occupancy tax which in this year's budget represents about 75% of the total revenue.

>> Garza: I guess I thought, mark -- I thought marketing could only be 20% of the hotel tax. Are we talking about two different things.

>> The acb receives 20% of the total tax. Of that money they receive, that is 75% of their total revenue.

>> Garza: Okay, got it. But if we delayed this two weeks, it's -- it sounds like it's okay?

>> Yes.

>> Garza: Okay, thanks.

>> Mayor Adler: Ms. Gallo?

>> Gallo: I just wanted to make another comment about the -- councilmember pool's suggestion on the conversation on the postponement so I'm not sure if you're finished with this discussion yet, but when you are, I just need a point of clarification, please.

[12:34:24 PM]

>> Mayor Adler: Go ahead.

>> Gallo: So could you clarify again on the postponement cases, is this only applying to the grove or is this -- is this applying to all of the -- could you reis state that? There's a little bit of confusion I think out there.

>> Mayor Adler: On matters we're going to postpone, rather than opening them up to debate since it's a real discreet issue and because it's not a final action, we're gonna allow one speaker on each side to speak for three minutes on the issue of postponement.

>> Gallo: So there would be one speaker speaking for the postponement for three minutes and one speaker allowed to speak against the postponement for three minutes, but there would be no other citizens communication?

>> Mayor Adler: That's correct. And rather than broke down on for and against I think it would probably be one person from the neighborhood side and one person from the applicant side and they both might be in favor of the postponement. They might have a different view on the dates or conceivably they could both be coming to the council and urging the same date. So the division will be one from the applicant side and one from the neighborhood side.

>> Gallo: Okay. Thank you for that clarification. There was a little confusion floating around.

>> Tovo: You'll glad you asked that question because it's the traditional practice and I think that's what we've mostly done. I think every once in a while people have started to get into the merits of the case and, you know, it's good just to remind people to get back to the discussion at hand being the question of the postponement. I would say at times we may need to be a little flexible about two speakers because there may be three very unique positions with regard to the postponement but, you know, I'd support the general practice being two. Two differing opinions.

>> Gallo: Specific regarding this because there's lots of moving parts here and lots of people with --

>> Mayor Adler: We're gonna try to do two, one applicant and one property owner. There may be times when when did it's appropriate -- one neighborhood. It may be times when there needs to be three or four. My hope is we'll recognize that because it will relate then to a particular issue or a particular something incident to that particular case. So it's not a black and white rule but we're going to try to stay with it as much as we can.

[12:36:29 PM]

>> Pool: Just to extend that, I think what councilmember Gallo was also referring to was we'll have other postponement discussions on Thursday.

>> Mayor Adler: Same rule will apply.

>> Pool: Yeah. That was the other thing I think you were trying to get to. As the mayor pro tem said, that is our traditional approach.

>> Mayor Adler: Okay. I see that's everything that we had on this agenda unless there's something else that people want to discuss. Looked like item number 3 maybe.

>> Kitchen: Did we set a time certain for the bond discussion? We talked about it last week but I don't know that we ever did.

>> Mayor Adler: We did not set a particular time for the bond discussion. We had talked about actually if people had shown up at 2:00 giving them a chance to be able to speak, and then also having a call for speakers in the evening so that if someone could come during the day but not the evening or the evening and not the day we would afford them that opportunity because this was such a big item. That's what we had talked about.

>> Kitchen: That strikes me as confusing for people but I defer offend what others want -- to what others want.

>> Mayor Adler: What that means is we're not going to take any action until the evening, sometime after 5:00 but probably if people arrive early in the day because they can't speak at night and are present and signed up to speak, I'll call them to speak on the issue.

>> Kitchen: I'm just trying to think how that works logistically. That means at a certain time you'll take speakers in the morning and then again at another certain time we'll take up the item and take speakers again?

>> Mayor Adler: That's correct.

>> Kitchen: Okay.

>> Mayor Adler: That's what we had talked about doing a few weeks back. So sometime around 2:00 I'll look and see if there are speakers that want to speak at that time who -- and I'll give them that chance.

>> Kitchen: Well, let's set it at two time certain for clarity for people.

>> Mayor Adler: 2:00 and 5:00. Does that work?

>> Kitchen: Fine with me.

[12:38:30 PM]

>> Pool: I think that's what we talked about previously.

>> Tovo: It only works if we're not planning on taking a dinner break, right? We've got two items set for 6:00 and I'm not sure that's the best operating practice. Skipping dinner.

>> Mayor Adler: I just -- it's a time certain that throw me off because they throw off the meetings.

>> Tovo: Why don't we plan on taking dinner from 5:30 to 6:30 -- why don't we plan on taking dinner from 5:00 to 6:00 and setting the time certain sometime before that.

>> Pool: Let me just offer that if we say 2:00 but table it and not take any action until later people can come and speak on the item with when they get there and it's only when we take it up that we close down the sign-up for people. Once we take the item up is when we close down the sign-up.

>> Kitchen: But people need to understand what's gonna happen.

>> Pool: I think that we talk about what it means because saying 2:00 and 5:00 is also going to be a little bit confusing as well. If we say it will start at 2:00, if you can't get there until 5:00 -- we could say after our dinner break. I don't know. I think that might be a little bit more easily understood.

>> Mayor Adler: What was the second case we had set at 6:00? St. James and what was the other one? Thorton, okay.

>> Kitchen: Let me ask the specific question. If I show up at 3:00 because I can't show up later, how long am I going to wait before I can speak and how do I know when it's going to come up?

>> Pool: I guess my answer would be if you get there at 2:00 you would have the same questions.

>> Kitchen: Or 2:00, 3:00, whichever.

>> Pool: We don't know when the mayor will bring up an item, right? But it won't be before 2:00.

>> Kitchen: Okay.

>> Pool: I mean, it's no different really.

>> Kitchen: That's one time certain is really what you're saying.

>> Mayor Adler: Rite. We'll exhaust the speakers at 2:00 when we talk that are there, and we won't call back up again until we call it sometime after -- well, we could try to do it before -- no sooner than 4:00.

[12:40:35 PM]

That doesn't get us to evening.

>> Kitchen: I'm happy with one time. And I'm happy with 4:00 or 5:00 or whatever, you know. I just think there needs to be some certainty for people.

>> Mayor Adler: Okay. So if -- I mean, at this point we're now making the times so close to each other there's really not a delta. How about if we send the bond election with time certain of 4:00, we won't call it any earlier than 4:00, the bond public hearing, that's correct. So the bond will be no earlier than 4:00 and we're going to try to break for dinner tomorrow between 5:00 and 6:00.

>> Pool: And we'll make it clear we're not going to take a vote until later in the evening because that's the piece that I think you're looking for, right?

>> Mayor Adler: I think we had just done this instead. Instead of having two times, we're going to just say 4:00, single time certain.

>> Kitchen: And we sort of made a commitment to ourselves last week that we would not be taking it up late in the evening.

>> Mayor Adler: Okay. So, Ms. Garza.

>> Garza: Not related to this, I've had a couple questions about item 2 and so I just want to make sure folks are asking if they need to come speak about an item on the concept menu. I don't believe that's correct. So item 2 is not considering items on the concept menu.

>> Mayor Adler: Correct. What I had said we were going to do, we didn't quite execute because this is a new process for us, we didn't execute well. What my -- what the intent is is to enable us to be able to do housekeeping with respect to the concept menu virtually every time we get together, if some people want to move something off or something they want to have studied and staff is looking, hey, we need

to indicate that. So what we -- so what we're gonna do is we're gonna actually call out on our agendas for meetings a single item, which will be a work session on budget to discuss concept menu and it will just be a placeholder on the budget.

[12:42:40 PM]

Doesn't mean we have to reach it, but in case anybody wants to use that time to further that list that's available. But because it will be listed on the agenda as work session for concept menu, it's not open for public discussion. When the public will have a chance to come in to speak about the budget will be at the statutorily set public hearings that we have. In that respect, we didn't pull -- Ed, I don't know, are you ready to talk to us yet about the maximum rate or where we ended up with respect to that issue? Remember we couldn't take the vote on that being the maximum rate. You anticipated earlier this week you might be able to resolve that issue. Has that issue been resolved?

>> It has. It's posted on your agenda for tomorrow's work session. One of your items is to set the maximum tax rate. The roll back rate will be at 44.18 and that's about \$850,000 more than the 44.11 that the budget is proposed at.

>> Mayor Adler: Got you. Thank you. Okay. If we don't have anything else right now, then we're going to go --

>> Tovo: Mayor, sorry to interrupt but should we clarify whether we're coming back to talk about item 5 or not? I know councilmember Garza had pulled it. She had some questions. I said I had some but I wouldn't mind seeing it postponed but we should probably know whether we're coming back and talking about it or not.

>> Mayor Adler: Is this the kind of thing you can identify what the questions and the issues were? Does that fit with the kinds of questions you're asking or no?

>> Garza: Probably not.

>> Mayor Adler: Probably not.

>> Garza: I just have -- we're considering it in the middle of a budget and I have concerns about a five-year contract if we're running up against a deadline, maybe we could do a one-year contract and have a more robust discussion about that money. But as of right now I'm okay postponing at least for another council meeting.

[12:44:44 PM]

>> Mayor Adler: Okay. My sense is there are unresolved issues with respect to this that I'm not sure we could resolve sitting as a council to do so postponing it for a week makes sense to me. I think it would be real important for you to visit with these offices and see if you can identify what the issues are. Maybe there's a way you can come back to council with a resolution of those issues. If not, you know, bring me into it too. But let's -- if it's okay with council, because these are big questions and I'm not sure that we'll resolve them in a week and it might be setting what the flight path is to be able to resolve the bigger issues. I don't know. But I'm comfortable postponing this issue for a week to give more time to focus on it. What number is that? That's number 5.

>> Five and 17.

>> Mayor Adler: I think 17 was nesco. Was that the same?

>> [Off mic]

>> Mayor Adler: Okay. So it looks like number 5 will be postponed for one week

--one week. Okay? So the city council will go into closed session to take up two items pursuant to 551.071 of the government code. Council will discuss the following two items, e3, legal issues related to Zimmerman versus Austin, western district Texas federal court, e4, legal issues related to the city's

electric power purchase, e1 and e2 have been withdrawn, which is assuming we're not going to be having a legal discussion about bond language. Doesn't look like we need one. Is there any objection to going into executive session on these items? Hearing none, council will now go into executive session.
[Executive session]

(Mayor Pro Tem Tovo)

Were out of closed session. In closed session we took up and discussed legal matters related to items E3 and E4.

Seeing no other business before us, we stand adjourned at 2:57 p.m.

[2:57:30 PM]