

# City Council Work Session Transcript – 12/05/2017

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>> Tovo: We can't start for lack of a quorum, but I think we might just have hit it. Yes, we did. I'm mayor pro tem Cathy tovo. Thank you for being here today. Apologies for the delay. Mayor Adler is out of town on city business at the c-40 conference in Chicago, and councilmember Garza is also on city business participating in a fellowship related to economic development, which is an ongoing commitment and we're grateful to her for that. It's actually an equity in economic development fellowship. We're grateful to her for that service. So we have several items that have been pulled on today's agenda. We are going to take up the capital complex items first. We do have representative Howard here. Thank you for attending. And I appreciate you being here. I assume you're available to answer questions if we have them. >> [Inaudible]. >> Tovo: Sure, please come on up. Representative Howard, if you would like to -- if you would like to offer a few words of introduction to this item and then we do have councilmembers with specific questions that you may be able to answer, but likely some of them will be directed to our staff. Yes, thanks. >> >> Thank y'all very much for inviting me to be here with you. We've been working as you know on the capitol complex project for awhile now and appreciate all the opportunities to have discussions with councilmembers about the different concerns that you have and making sure that we're addressing things so that we can move forward with a project that I think many of us, the city of Austin and myself, feel can be a very transformative project for the capitol. Unfortunately the senator couldn'ting here this morning. He's in a senate finance meeting over at the capitol

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otherwise he would be here as well. I think one of the things that I'd like to -- let me go back just a second. It all very obvious that we have issues between the city and the state and no one can attest to that more than myself and senator Watson who are there on a Aday to day basis pushing back on things that the state has been doing to our local communities. So I want to be clear from the very get go that I recognize the relationship issues, I recognize the severe overreach of the state intruding in local decisions. And though I know this is something that you have been very engaged with over this past

session in particular and the special session, I want to make sure there's no doubt in your minds that senator Watson and I both have been working diligently with your governmental relations people, with your offices, with making sure that we did everything we could to prevent some of that overreach from occurring and affecting the governments -- the governance that goes on here in Austin. So that is not lost on me. And I think I probably have more resistance to the state than perhaps even you do. That may be hard for you to imagine, but I think it is actually true since I'm over there on a day-to-day basis. The thing about this particular project that I think is project to look at as we're trying to figure out what can we do to make this a win-win for everybody, is that it really is a project of shared values for the state and the city of Austin. The city of Austin, you know, double-edged sword, I guess you could say to have state government here, but quite frankly, it's been to our benefit to have state government here in many ways. The employment opportunities

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for Austin, austinites to be involved with the state. Some of the attractions that bring people to Austin to see our iconic state capitol, which I am still in awe of every time I walk in to. The fact that the project here, the master plan is looking at doing some things that I think reflect the shared values that we have in terms of green space, in terms of efficiencies, in terms of creating public space that can accommodate family activities here in Austin, that can accommodate festivals and music venues. That can bring coordination between all the different things that are going on right now in that area, not only with the capitol complex, but with UT, with waller creek, with the medical school, with any downtown work that's going on, all of that converging there in that area and being a space that we can all be proud of here in Austin. And though it is state property, that Austin will be able to benefit from participating in and using. It's there for public use for us, so this is going to be a four-acre green, urban space that is really something I think that we can be all, as I said, very much share in and be glad to have. You know, I was given some notes, I'm looking at them because I want to make sure I say what's in them. I'm basically telling you from my heart what's going on here. This is not a project that's being driven by me and senator Watson. This is a project of the state that we happened to be a part of and are willing to work on and try to be good stewards about what's going on here because we do see the benefit of it. I can tell you for myself

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and I'm sure for senator Watson as well that we will not be putting in all the hours with our staff, your staff and all the work that's begun going on to try to come up with something here that is agreeable if we didn't believe in this project and believe that it was good for Austin. The fact that we have been working on this, I want to thank you for your willingness to find areas of negotiation that we can move forward on to look at how we can do the ledger that meets your needs, but also reflects what the state needs to be looking at. Senator Watson and I are committed to doing whatever we need to do legislatively to ensure that the ledger reflects what you want it to reflect, to look at the future for traffic

improvements. Whatever needs to be done legislatively that we are constrained by statute right now from doing, you have our commitment that we are going to be willing to take that forward in the 86th legislature given that we're both able to come back and do that. So that's really basically the overview that I wanted to present, and we do have staff here from the Texas facilities commission that can address any particular questions that you might have. I know that the questions that you gave us recently, efforts were made to give you answers to those questions. I think the state made a good faith effort to move forward on those things. There may still be some areas that we need to have some further discussion about. I know that councilmember pool has indicated that the number the city gave us for the cost of moving trees may not be accurate and she's looking at that number being adjusted. So there's still some things to address here, but by and large, you know, this is something that I think we've gotten to a good point on in

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our negotiations and we've answered the questions. And I think it will be good for the state and for the city of Austin and I'm try to happy to answer any questions, though we do have the people that are actually more expert in this than I am who are also here. >> Tovo: Thank you very much, representative Howard. And of course, our staff are here too as they usually are to answer our questions. So I think I'll just invite our staff up to the table to answer our colleagues' questions or my colleagues' questions, and representative Howard, if at any point you would like to add to your comments, please just catch my attention and I'll recognize you. Thanks. >> Thank you. >> Tovo: Okay. Let's see. This item was pulled by councilmember Houston. >> Houston: Thank you, mayor pro tem. Thank you representative Howard for being with us this morning. I've got a couple of things for staff that I need to be clear about. The first time I had any meetings with the Texas facilities commission about this project was on April the 10th of this year. You have all started meeting with the staff or the facilities commission prior to that time? >> Mayor and council, rodry Gonzalez, I'm the director for the development services department. Yes, there were several meetings of multiple city staff members with the Texas facilities commission dating back to 2015. The Texas facilities commission had reached out to the city with regard to their draft master plan for the capital complex, and so multiple city departments had visited with the state about master plan, specifically their intention to utilize congress avenue as a pedestrian mall. And of course, the master plan was released in 2015 and then following that date the Texas facilities commission reached out to us I believe in March of this year for specific asks related to the master plan. >> Houston: Thank you. In your November the 30th

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memo, item number 5 that's been added about a permanent easement for state operated utilities, is there a cost for that permanent easement? So has that been calculated in the information that you gave us? >> There is no actual cost. The easement -- I may have to defer to legal. The easement itself is a transfer of property rights so there isn't any cost, but to the extent that there is some associated plan

review or application for that, we are charging for the relevant staff time. >> Houston: And I see that in the senator's November the 28th memo to the council. Is that a transfer of funds or is that entered on this ledger that we are trying to figure out about how to access? >> What we've proposed to the state in keeping with council requests is that the transfer to the ledger is the value of the right-of-way fees, so the street rental fees, if you will, which are estimated at 6.8 million, I believe. So that is the amount that would be transferred to the ledger. >> And we already have about 1.3 million on the ledger already. >> 'Em. >> Houston: Do we know how to access that ledger and for what purposes can we access it for? >> Currently as predicated by state law, the only way the state can access those amounts on the ledger is via property that is owned by the [lapse in audio]. And currently the Texas facilities commission does not own property other than parking garages. And so that's one thing that was mentioned in representative Howard's and senator Watson's letter is that she would strive in the next legislative session to expand the use of that ledger for more than just Texas facilities properties. >> Houston: And I appreciate that and I appreciate your efforts, but most of us have lived here long enough to know that that's a promise that you would really try hard to keep, but there's no guarantee that that's going to happen. So we will have almost eight million dollars on this ledger that we are not able

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to access. Is that correct? If this legislative attempt is not -- does not happen. >> Yes. The only way -- if this legislative attempt doesn't happen, the only way that we could access it is through Texas facilities commission property, which I mentioned currently is limited to parking garages right now. >> Houston: Is that all downtown in the central city? >> I would have to defer to Texas facilities commission as to all the property that they own. >> Houston: Okay. We'll ask that question. And then I think -- >> Tovo: There may be a few questions about the ledger. Are you still on ledger? >> Houston: I'm still on the ledger. So somebody else can have it now. >> Tovo: Oh, no. Finish your questions about the ledger. >> Houston: Is there a process, even if there were properties for the Texas facilities commission, that we could use the ledger for? Is there a process in place for us to access that and what is the process? >> I don't think that there's a written process. I think it's more the relationship that is involved between the facilities commission and the city whereby if we know of a piece of property that the facilities commission owns and they are putting it for sale that we could approach them about using the ledger to purchase that property. I don't think that there's a written process as how to utilize that ledger other than just the agreement that the ledger could be used for property owned by Texas facilities commission. >> Houston: Thank you. >> Tovo: Councilmember pool. >> Pool: I don't know if this is something that representative Howard, okay, welcome, or even you, Rodney, but following on the questions about the ledger, I'm interested in how the ledger works, how do we access it? You've said that that money can only be used to purchase or get access to properties that the facilities commission owns. Well, how can it be used for

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something else? What is -- and this may be in representative Howard's bailiwick? What can we do to change that? Because it is my idea it will be a long time before the city can spend any of that money on. And I don't remember when that \$1.3 million, how old is that from the city to the state. >> We've got that information, but I can pull it up while senator Howard responds to you. >> Pool: So we can give that to the public. >> Houston: It looks like 1996 was one and 1999 is the other one. >> Pool: So almost 20 years and this is the first that I've heard there is a ledger that we can access. What can we do to make that more transparent or have the citizens of Austin whose money is involved and on that ledger, how can we give them access to these funds? [Lapse in audio]. >> The facilities commission can probably respond to this better. I know that historically the city and state have had multiple negotiations over the years over multiple pieces of property. Whether there's been an official ledger they will have to respond to that and let you know. I know that it's been an informal, if you will, working relationship in that the give and take, if you will that's occurred over the years to ensure that both parties are being treated fairly and whatever the project is can be completed in a way that is not intrusive on any one or the other. Personally I know that there were arrangements made when some state office buildings

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were built right down by the capitol. I can't remember what the street is. Is it brazos, any, the city of Austin closed off a portion of that street so we could build a state building there. Things like that have occurred over the years. We certainly know that republic park was something that the state has -- not the facilities commission, I don't believe. The state has given -- had that 100 year plan for the city to have republic park and the extension of that has been made. There are multiple avenues that aren't really connected necessarily to the facilities commission. I think that's part of the issue here is that when we're talking about the relationship of the city to the state, it's with multiple agencies. And I think that makes it more complicated because there's some give and take across a wide spectrum and we're trying to look at the big picture here. If we focus just on the facilities commission then again as was mentioned by your staff, and we would have to talk to facilities, I don't know what they have available that we could really be working with here specific on that ledger. So the legislation that senator Watson and I need to look at is how can we expand the ledger to go beyond what just the facilities commission is responsible for, and that's what we'll have to address. >> Pool: That's great because that's my question is what can the Travis county delegation do to help Austin with that -- to open it up. And also to make sure that people know that that debt is out there where the state owes the city. And you're right, we all hope for a fair and balanced relationship with the city and the state, and from my perspective it was a hard session for you, it was really hard for us here, and it doesn't feel or look balanced. So I would love to work more closely with you and the rest of the delegation to try to achieve better outcomes for the city of Austin and all of the residents who live here and pay their taxes. And they're paying a lot and

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they -- it feels like more than the ledger has created a lack of balance in the relationship with the state government, and it would be great if we could do some things to move in a more productive, positive direction and I'd be happy to do that with you. >> Thank you. Senator Watson and I are prepared to do that. >> Pool: That's great, I have some other questions, but others may want to talk about the ledger. >> Tovo: Yes. I have some questions and I know Ms. Houston may have some more as well. >> To answer the questions from councilmember pool, the first item in the ledger got inserted on may 26th, 1997 for the value of \$606,600. The value of \$712,608. So as I mentioned that ledger has been posted as backup for item number 26. >> Tovo: Thank you. I had a couple of quick questions about the ledger before we return to the topic. For members of the public who are listening to this, I'm not sure they'll understand why we're not requesting that money instead of having it accounted on a ledger that can only be spent in a particular way. Was that an option as part of this agreement just to receive that revenue? >> There are many options available to council and I may have to defer to legal as I explain this option that is being pursued. The state legislature did at one point consider that there would be property exchanges between the state and the city, specifically with the facilities commission, which at that time was the general services commission. So the state legislature had amended state law to allow for a property transfer using reasonable value. Now, reasonable value there is not necessarily a

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definition and there doesn't have to be a value amount. The city could deem that it has received reasonable value in exchange for the property. >> Tovo: And then I guess -- but in the course of the negotiations there was an interest in I guess from the state in having this accounted to the ledger rather than submitting the value of those fees. >> So actually, the way that the state had approached this is they had asked for a waiver of the fees. And those who may recall, council had requested that those fees are added to the waiver. So that was up to the facilities commission to not only waive the fees, but put those amounts on the ledger as well. >> Tovo: [Lapse in audio] Waiving them. So that was -- yes, I remember that conversation. It was a better option than just waiving them, not as great of an option as actually receiving something tangible. >> Identifying the total amount and putting it on what we have in front of us a tool which is the ledger. >> Tovo: Right. That's a number two option. There are three options here that could be contemplated, but it seems like -- one was one that the staff requested from the state, which is just to waive the fees. We responded let's at least put it in the ledger. There is not being contemplated an actual exchange of money. >> No. >> Tovo: Is it possible then given that we will have this credit in the ledger and can use it for Texas facilities commission, is it possible to go to the state and say we would like a share or some kind of shared revenue in one of the downtown parking garages that the facilities commission owns? >> You know, I will have to defer to the state so I can only tell you what correspondence they've

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provided to us in that regard, is that the Texas facilities commission operates under the rules that have been provided by the legislature. And their rules require that they of course collect revenue that they earn revenue from those parking garages. I would suspect and the facilities commission is here to answer those questions, I would suspect that something of that nature as what you've just presented would require some sort of legislative action. >> Tovo: So to actually access one of the facilities commission, which is part of the ledger, actually taking action on that requires a legislative action as well? >> I'm going back to what your option was, which is sharing of revenue from the parking garages. And I take that to mean that for whatever parking fee that they collect from individuals that they would share a portion of that. So that's not necessarily property interest as was deemed in the ledger, but a sharing of day-to-day revenue, if you will. >> Tovo: Okay. Then could we request a share of the property interest in one of those garages or does that too require legislative action. >> I'm going to have to defer to legal at that point. >> I mean, we could certainly request that and there's not anything limiting our ability to engage in that kind of arrangement, but I suspect that -- I know there are some state status regulating the parking revenue and the monetization of parking facilities, so I would imagine those would have to be examined to see if it would be an appropriate activity under that legislation. >> Tovo: Okay, thank you. >> Houston: Could you state your name for the record. >> I'm Lauren bell my, assistant city attorney. >> Kitchen: Mayor pro tem, I'm not sure she answered your question. Can I rephrase it? >> Tovo: Sure. >> Kitchen: I understand

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that you were responding to the question about access to the parking fees, but what about just an interest in the parking itself? I mean, the parking garage itself. >> You mean the facility? I'm not aware of anything that would prohibit that in state law, but I have not examined state law specifically with that question in mind. >> Kitchen: So can we ask that question of the Texas facilities commission? Are they here? >> They are. >> Kitchen: My initial question without understanding all the details might be that since we have a ledger, is that not what the ledger is for, to allow us to have that kind of interest and could we not just do that as part of this process as opposed to putting it on the ledger? So that's my question. >> Tovo: Thank you for being present and your willingness to answer questions. If you would identify yourself. >> Good morning. Excuse me. For the record I'm Peter Maas, director of the facilities commission. I would have to look at statute, but the way I recall it reading is any revenue collected through the parking program goes to the treasury. And then recently, probably four years ago or so, there was a carveout made that TFC can actually collect some of that revenue and use it to off sit maintenance of garages that result from the use. So to not take that money and basically pay the city, that I think would probably take legislative authority, but I don't know that for a fact. >> Kitchen: Okay. But what about the last part of my question, which is just an interest in the property? >> I think that's going to be difficult. You know, the state is protective of their interest in property. We have -- in the agreement

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now there is a willingness to share of the 100 parking spaces for city use. You know, and that right now is what we feel comfortable with based on utilization rates. We don't know how the parking situation is going to play out in the future. So we have talked to staff here about a willingness to review those things and see if there's more that becomes available. But, you know, the exchange of money and certainly property interest, I think those are difficult things for us to just bargain away. >> Kitchen: Then just to close then, so my understanding -- and I may have misunderstood -- is that was the purpose of the ledger was to allow for an exchange of property, but what you're saying is that likely looking at parking garages as parking that could be exchanged as part of the ledger it would likely not happen. So having dollars on the ledger doesn't mean that we get to exchange property, it has to be agreed to property. Is that what we're saying? >> We, the Texas facilities commission, do not have the authority to just bargain with property. We need that legislative approval to do anything like that. >> Kitchen: Okay. So even though the money is on the ledger, there's no guarantee whatsoever that we would ever get anything for it, which I think was councilmember Houston's point. Okay, thank you. >> Thank you. Yeah, I think that the ledger situation is somewhat fluid obviously in how it's being discussed. And my understanding of it is more of a tool than something that is tit for tat. That we are also looking for things that the state is contributing, and I'm not sure where they fall on the ledger, but in terms of the value of the upgrades to the

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utilities, in terms of the value of a four-acre urban green space and what's that's going to mean and what the value of that would be. All of that is being paid for by the state. That the city of Austin benefits from. Whether or not that's on a ledger and you're balancing those two at the same time you're talking about the numbers that you're talking about now, I don't know. But I do know if we were really doing a true ledger we could add up both of those columns and really look at it and see where we are. And from what I've seen, unless I'm told differently, there is a much larger amount of tax dollars from the state that are going in to this project than are being asked to be waived by the city on that side of the ledger. And that indeed it is asking for a waiver of rental fees that my understanding is that they're not currently accounted for in your budget. It doesn't do anything to your current budget. It is just unrealized dollars that would be coming in. Be that as it may, that's a valid thing to bring up and hence the ledger. But I'm not clear myself on how much we're getting on that ledger that reflects both sides of the ledger. >> The investment in the mall, in the utility relocations alone is over \$100 million, so that is essentially an investment that is available to the public. The rest of course is the buildings. But that's not reflected in the ledger. >> Tovo: Thank you for providing that context. It is an exciting project for the city of Austin as well as for the state. Councilmember Houston, I know you had some questions beyond the ledger or councilmember alter, are you still on the ledger topic? >> Alter: I think it

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relates to the ledger. First of all, thank you, representative Howard, for being here. And I appreciate your and senator Watson's commitment to moving forward to put forward legislation with respect to the ledger. I think my question may be for Rodney or the gentleman from the facilities commission. As I understand it is a multiphase project and what we're agreeing to if we decide to agree to it is phase 1 of it. And there's some information in the interlocal agreement that governs the process for phase 2 should the money arise from the state. So if we don't find resolution to the ledger issue through legislation and whatnot, what opportunities would we as a city have with respect to phase 2 that might allow us to resolve this if it is not resolvable by legislation? >> Currently there are no options I believe within the interlocal. If that doesn't come to pass with regard to expanding the use of the ledger. The interlocal contemplates everything that we contemplate for the phases so that phase 2 and phase 3 don't receive budgeting from the legislature. Of course those phases don't get built and the associated work around those phases doesn't get done. But right now there are no options available if the ledger changes do not come to pass. >> Alter: I guess I didn't phrase my question correctly. Do we have to approve things in phase 2 and phase 3 as well? >> No. I believe not council. So there may be some administrative things with relation to the street usage, et cetera, but those are administrative. So this is the only contemplated council action albeit with the exception of

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the actual easement transfer. So today the -- not today, but Thursday the consideration is for the interlocal and for the waiver of those street rental fees. There will be a future council action that comes in a few months with regard to the actual transfer of the easement. And those are the only council contemplated actions associated with this project. >> Alter: So once we get moving with the project with this and that other step happens, there's no more points of interface. >> Only between staff and TFC. >> Alter: Okay, thank you. >> Tovo: Thank you. I'll turn back to councilmember Houston for other questions. >> Houston: Thank you. And thank you for your contribution, sir. I just want to be clear to the constituents of the city of Austin, this is not a joint project, although it is states project that happens to be in Austin. It sometimes sounds like we are collaborative in that and we are just trying to get an interlocal agreement signed to that the state with in fact do this wonderful project that people are looking forward to doing. So I just want to be clear for the folks listening that we didn't come up with this, the state of Texas is the one that did that. One of my other concerns was the congestion. And I think the transportation director is here if anybody has questions for Mr. Spillar. And I guess this is for the Texas facilities commission. Everybody knows the congestion at 15th and martin Luther king street are now, even at peak-peak times, which I didn't even know there was such a thing, Mr. Spillar, as peak-peak times. Everybody knows what that is, I have to go to work in it and come home in it everyday. Did the Texas facilities commission talk with capital

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metro, Dell medical school, the university of Texas, about transportation and how we could do something different? This is an opportunity of course to have 4,000 parking spaces underground, but was there conversations with the transportation authorities in the city and state and county about ways to use some of that money to provide opportunities for people to park and be picked up and brought into town rather than having everybody now, the increased capacity downtown with vehicular traffic? Were those conversations had with capital metro and UT and Dell? Because everybody that is living outside because they can't afford to live inside the city, so we've got an influx of more people perhaps coming in to downtown trying to get to their jobs. And most of those is city, state and county workers. >> We absolutely had conversations with all those folks you mentioned. It is something -- I mean, we are prepared for rail if it ever happens. We've talked to cap metro about a bus stop right along the mall. The challenge we have is again, we're just one agency wanting to control our population. Every agency dictates their own plans in terms of transportation. You know, we've talked about transportation management, different start and end states to the day. And those are all decisions that are made by individual agencies, so we don't control that. But for what it's worth, we encourage it whenever we can. As property managers we will post whatever signs cap metro offers us in terms of, you know, programs they operate. So we are very much wanting to control that. I drive through it every single day so I'm not terribly pleased by it, but it is something that is difficult for us to control.

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>> Houston: But I heard you say you do parking garages, that's your main focus. Have you ever thought about doing some of those -- instead of the money that you use to construct 4,000 underground vehicular parking spots, had you ever thought about using some of that money to be able to put places, park and rides outside of the inner city so that capital metro could in fact go and pick up some people? >> I can't -- >> Houston: And use -- I'm thinking about this is an opportunity to use green electrical cars, green infrastructure to get people in and out rather than them having to come in in single occupancy vehicles. >> We have not considered that. What we're dealing with right now is the state has invested tremendous amount of money over years to purchase the land north of the capitol and that is where we have our opportunity sites if we were going to do something that you are suggesting we would have to go to the legislature and ask to buy land outside of Austin and then work out the logistics of how you get from point a to scientist B. >> Houston: I'm not saying buying in Georgetown. I am saying on the outer edges of the city, people can go to those areas, get on something that is electric or solar and then come into downtown and be dropped off and then have opportunities for vehicles to transfer people around the capitol complex so they don't have to drive their cars. Because I rather what you're saying and I understand what you're trying to do, but I don't think we've done enough to try to see how to lesson the impact of the congestion that we have. I just see it that it's congested now and more congested in the future. >> Part of our strategy here is to centralize state government. What you have now is all these agencies scattered throughout Austin. And what we're trying to do is just have one place to come and from that place now you're a pedestrian. You can walk from agency to agency and we're thinking

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that that's a benefit, that's a positive step. We have not considered what you've asked for. We can certainly take that into consideration, but it would take legislative action for us now to purchase land and create such a program. >> Houston: Thank you, sir. Mr. Spillar, I notice when you gave us the response to the question that you gave some options, but that doesn't sound like that's possible in this environment. What else can we do to try to mitigate some of the ongoing congestion problems that the city has and that we're faced with everyday and that people complain about to us all the time about the amount of congestion in downtown Austin? >> Right, Robert Spillar, Austin transportation department. And I absolutely feel your pain. As Austin becomes more dynamic and more of a center for work, congestion is the result of that rapid growth and rapid development and centralization. You know, the Austin transportation department, the city as a whole is doing a number of things. We've launched our own commute program to try to demonstrate how we might reduce our own commutes. That's been pretty widely successful thanks to the city manager, interim city manager for helping to support that. We've had a huge response from our own employees. As you know, we work closely with capital metro. We attempted to pursue an urban rail project in town that might have reduced some of the congestion in this area. That was turned down by the voters, but we continue to work with cap metro to expand transit service, specifically with a focus on park and rides throughout the east side. We're pushing them to look to the northeast, certainly to the southwest where there's a lack of park and rides in the south as well. As you know, txdot is working on a plan for I-35. Funding is somewhat in question right now, but they're continuing to work on different funding

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mechanisms. That facility would improve access in and out of central Austin. I believe much of the congestion on our east-west roadways is caused by the inability of that facility to load and unload traffic into our city successfully. But that alternative would also include potentially some type of express lane that would allow transit direct access into the far north and the far south part of our community that doesn't really exist today. So I think there's a lot of opportunities. We also participate as a board member of movability, which this year has taken the step to move away from the name movability Austin to really reflect a more regional perspective, really understanding that the role of reducing the use of that single occupancy vehicle is really a regional issue. So we're focused regionally. I firmly believe that as Austin continues to develop and the capital complex is a piece of this, that employers like the different agencies within the capitol facility will have to look at things like transit demand management and shifting times simply to attract and retain good employees. You know, I heard statistics that we're essentially at full employment right now and I think that those companies that are interested in doing business in Austin are increasingly going to be focused on tdm and transit. A very good example is there's a national company, Facebook, looking for a new place to relocate and they're very focused on tdm and transportation. Our transit services is part of whatever community they're looking at. So I think that's a trend that's accelerating that people are looking for places where transit and alternatives to the single occupancy vehicle are

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available I don't want to mislead people. I know nothing about the Facebook proposal. -- Amazon, yes, thank you, mayor pro tem. The fact is these companies are all competed with state as well so all of them require those benefits. And I think that's driven by their employees so I actually think in the long-term transit and tdm is going to be an easy sell because those estate agencies are going ton competing around each other and against the city and against other jurisdictions for those very employees. >>

Houston: Thank you so much for that very comprehensive overview. >> Sorry. >> Houston: That's okay. I have one question for you and then perhaps for Mr. Gonzalez. -- I was talking about the lanes that might be controlled by revenue tolls. >> Houston: I think that's been axed from the plan. >> You're right, but they may be HOV lanes or some other kind of management. It's going to be important. >> Houston: Just one other question before you go down that one. Do you have a feel for the txdot schedule for construction because I'm so concerned that we will begin construction on the -- of the utilities and all the constructions on the mall. At the same time that we're doing construction on I-35. And they need to be coordinated so they're not happening together so that will really be a mess. >> Well, we will certainly work with our state agencies, councilmember, to try to coordinate those. I can tell you that any construction on I-10 is probably a very long project. >> Houston: How about I-35? >> Oh my gosh, I'm sorry. You're absolutely right. I am totally lost today. [Laughter]. On I-35 is definitely a long-term project. It's a 10-year project.

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That's where the 10 comes from. And in fact some of those elements already under construction. So we will do our best to coordinate those two so that one doesn't overlap, but it's very likely that the two will overlap. Somewhat. >> Houston: Thank you. And I will try to engage the community with those issues. >> Sorry about the confusion. >> All right. >> Tovo: So I have a question for you, probably not for you, Mr. Spillar, but for maybe Mr. Gonzalez. In some of the question and answer we had -- one of the questions that council raised had to do with the amphitheater and how it would be used and in particular whether there would be amplified music and amplified sound in there because we do have a strange situation downtown where sound downtown often travels along our urban waterways up into the neighborhoods to the north. It's really hard to explain to people who don't spend time in those areas, but I hear it myself in the neighborhood that I live in and I get lots of calls and emails from people in Hancock and some other neighborhoods about music that happens downtown 30 or 40 blocks away. The fact that elaborating on the amphitheater and particularly with regard to plans for music events and sound mitigation talks about the amphitheater having been designed for multiple and near limitless uses from speeches to music to performance art. And I think I just want to probe the limitless uses a bit and see what are -- are there plans for hours of operation? And can you talk a little bit more about the sound mitigation that's being

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contemplated? Are they working with our music department, which is really looking at best practices for sound mitigation. So if you could address both parts of that question, that would be helpful. >> And this is a response I will have to defer to the Texas facilities commission. The response came directly from them. It is part of economic development. And sound travel was an issue that we dealt with constantly, but we've shared that same concern with the facilities commission and they have a response and are here with any follow-up questions. >> Tovo: If you have a response that would be helpful. >> Absolutely. The near limitless mention there was all about we don't know what all we could possibly do there. So what we're trying to do is create an environment that you know will be welcoming. We don't know if a politician will have a speech there or if there's going to be a grade school performance for all we know. But we're just trying to create the venue. We are looking at speakers mounted on the ceiling of this amphitheater. It will have a canopy on it, the speakers will face down wards and we want it to project just far enough to reach the seats around it, no further. We all recognize that this is a work environment for a good part of the day. So we want to be able to have the -- a performance going on during the day, associated perhaps with the cultural venue, but not disturb the buildings or the folks in the building. So we are very much concerned about that. We do have residential not too far away and even tailgating operations are controlled in terms of sound. So it's something we're sensitive to, absolutely, and, you know, we use the example of the Bob bullet museum and performances they have there, as far as we're

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aware of we don't receive complaints from those and they do end early. So we expect a very similar type of, you know, situation. >> Tovo: Thank you for that additional information. Have you -- do you know if those who are designing the amphitheater have met with our music department to talk about some of the technology they've seen? In fact they've demonstrated it out -- out on the plaza there's tents that really do computer all of the sound and contain it and various other things I'm sure. >> Yeah we use Paige and Larry Speck is the one who brought this to the table and I believe did he attend that. >> Tovo: I'd be interested to know whether they've had coordination with our music department here because they work with venues to talk about sound mission and other strategies for making sure that our -- mitigation and other strategies for making sure businesses that are having amplified sound are containing that within their property. >> Absolutely. We'll confirm that. >> Tovo: That would be great. Thank you. Do you have set hours of operation or do you intend there would be some evening hours of operation? >> Yes, we expect set hours of operation. Now, there was a bill passed last session which really gives the authority to operate the mall to the state preservation board so those decisions are theirs to make, but we would anticipate that there would be hours of operations. The preservation board, through a foundation, operates the Bob bullet museum so we're seeing that pattern emerge, but we need to defer to them for specifics. >> Thank you. And of course they would be following our noise ordinance and our limitations on evening operations? With regard to the performances, I assume? The decibel limits and others? >> Yeah -- >> Tovo: Thanks. >> I would assume whatever the situation is right now with performances and

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rallies and so forth at the capitol as well as was mentioned by Mr. Moss the activities at the Bob bullet, which are outside the performances that are there, the state preservation board is probably going to be consistent with what they currently do. And as far as I know -- and there may be complaints that y'all are aware of, but I think that it certainly has been limited in what the preservation board has been willing to have on the capitol grounds, and I don't anticipate that that would be a lot different. >> Tovo: Thank you. You know, as far as I can recall I don't believe I've ever gotten any complaints about the bullet museum or any of its performances. I do hear complaints from activities at UT and tailgating and some of the events associated with that, but I've never gotten any about the bullet activities. I don't know if councilmember Houston -- we share downtown. >> Houston: We share that one. No. >> Mayor pro tem, with regard to your comment about following the city's sound ions, I'm going to have to defer to legal but I don't think that the state would actually be required to follow the city sound ordinance. >> Tovo: It would be a strong belief of mine that they would be subject to it, but if not I would hope they would willingly then comply with the sound ordinance and our hours of operation as a party with them here but maybe that's something we should address in executive session if that's more comfortable. >> Houston: I have just one quick question on -- how will the coordination be handled between the amphitheater on the mall and the amphitheater in Waterloo park? Who will manage those? Both of those are in district 1 and so I'm wondering how long that will be coordinated? >> I honestly don't know. I mean, we do work with the city all the time and event planning and the city and

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there's -- I would expect if there's a event planned for waller creek we would become aware of it. I don't know whether we'd want to compete or perhaps benefit from an event over there. Those are all decisions I think that are yet to be made, but there are groups that we are participating with to coordinate events in downtown so I would expect it would fall within that realm. >> Houston: So, Mr. Gonzalez, I would like for you to keep that on your radar because that's -- when you talk about sound, if we're having two competing interests within four blocks of each other, then that needs to be coordinated and needs to be tightened up more than just we're going to try to make sure that that happens. So then we really will start getting complaints about noise and congestion because everybody is trying to get to the same space. Okay? >> That sounds good. And as Mr. Moss had pointed out it's anticipated that the actual programming of the pedestrian mall would convert over to the preservation board. I personally would be glad to introduce the preservation board program operators, so that way they can understand of course, which I'm sure they already do, the many facets for sound level and how important it is to properly direct speakers and also with regard to the hours of operation. >> Houston: Also wouldn't be be responsible for connecting them with the folks at waller -- what is the name of it? Waller creek conservancy about the park? Waterloo park. >> Yes. [ Laughter ] Mr. Moss and his staff has also been in contact with the waller creek conservancy and the staff at the conservancy as well. >> Houston: Okay. >> Tovo: Okay. Councilmember alter and then we should probably move on unless there are any other burning questions about this item.

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>> Alter: So I may have a question for executive session about the phases in the interlocal agreement, but perhaps the facilitates commission, you can explain the different phases and what's in them to start? >> Absolutely. So I guess just to start off with, the reason for phase one and the reason for phase two is we, the state, want to not be reliant on leased facilities. We have studied this closely and it's a savings to the state to own their own buildings. It is a long-term payback, mind you, but at the end of the day it is much, much cheaper for the state to own than it is to lease. We have approximately 1.2 million square feet of leased facilities that are candidate for relocation to the capitol complex. The first phase I believe is going to take about 700,000 square feet, or thereabouts, and place it into the capitol complex. Phase two would basically address the balance. And so phase one consists of two buildings. The first building across from Bob bullet, the George H.W. Bush building. The lobby is slated to go in the ground floor as well with the eweing area, I forget how it's properly termed. The rest is filled with state agencies. The other building adjacent to the Ibj building at congress is another state office building. There we are investing a fair amount of inground floor uses. We have a restaurant program for that space. We have the new day care facility program for that space, for that building. The second floor of that building is all conferencing facilities because we have a great need for conferencing and we're also looking to draw folks from the entire state to do training.

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And the balance of the building is state office buildings. Kind of doing a domino thing here, by building the first phase we now free up two blocks along 15th street so the block that has the child care facility, well, that building will no longer be needed. The block that has the dps capitol district office will also temporarily be relocated to one of our new buildings. That allows us to free up those two blocks and where phase two is located. The intent is to bring dps back into that building, into a new building, and the rest like I mentioned is state office space. If you look at our master plan you will see those buildings along 15th street, along lavaca, have a lot more outward reaching programmatic I'm not them. We fully expect to have more restaurants. We fully expect to have perhaps leased facilities for retail. And just to make the whole area more attractive. So, yeah, I don't know if that answered your questions but that kind of is what we're planning. >> Alter: I think there are two parts that I'm trying to understand, is that if we move through the phases there's -- there are leased buildings that the state would be giving up space that could then be taken over by businesses or the university or some other entity. Is that correct? >> Absolutely, yes. >> Alter: And are there property taxes be currently paid on those sites? Is there some kind of arrangement where -- with --with the state so that's not happening? I'm curious. If they're owning it you would be paying property taxes. But if you were leasing it, the owner of that building is paying property taxes or is there some kind of arrangement that would be shift. >> Owners typically try to get out from paying taxes on leased property if they have

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the state residing within it. I don't know all the particulars on that. I'd have to get back to you on that. >> Alter: For me that would be really important to know. If we're going to be adding 1.2 million square feet of office space to our property tax rolls that are not on it currently as that moves forward and then those buildings also could be rehabilitated and increased in size, I would like to know that as part of my decision. >> Okay. >> Alter: I think that would be useful information. I've asked it in various ways but probably not through the appropriate channel, but I have been trying to understand if that's another element to this. And then the other part -- glancing at the interlocal agreement is trying to understand where phase two is mentioned in here. I only see the 1801 block and 1601 block. The reason I'm asking is because it doesn't seem like it's fully covered. It does sound like we have one of our questions about the traffic impacts addressed clearly in here, but if the other part of the phases are not there, then in fact there may be things that you do have to come back to us in phase -- to us in phase two so if we do not have a satisfactory resolution of our leather we have an opportunity to -- ledger we have an opportunity to revisit in phase two that was done in phase two with respect to solving that issue. In my quick glance of my local agreement it's not one of the packages. Those building sites are not listed. It does say, and I very much appreciate the change with respect to who would carry the burden as you build out with respect to traffic, but I don't want to assume that we don't have a say at phase two if there's nothing in this agreement that actually does that. >> Sure. Councilmember, let me

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clarify. Everything in the ioa are the contemplated asks that the state has brought forward. And so of course the transit -- the transportation improvements that you reference in section 1.3 and specifically 1.3.2 covers future phases. But these represent the contemplated ask of the state. Now, down the road in year five or year six if they do, along with phase two and phase three, identify some other asks for the city, I suppose they would bring those forward. But as of right now these represent all the contemplated asks from the state. >> If I can clarify. Under 1.3.2.1, we did state that we will be performing other traffic impact analysis and so that's a process at Texas through city staff and if that then warrants additional traffic signal movement, traffic improvements, we are committing hereby to do that. >> Alter: Just so I'm understanding as currently anticipated for fades two everything that would be needed from the city is in the -- the big ask for the city is the right-of-way for congress avenue and so we're seeing that more in phase one than anything we would be seeing -- >> Yes. >> Alter: -- In phase two? >> Yes. The state presumably has gone through all of their needs and asked those of the city and those are represented in the ioa. I don't want to speak for Peter. As I mentioned in year five or year six they may come up with something related to phase two or phase three but right now it's not contemplated. >> Alter: But if they do and that requires -- you know, if we're going to give up a bunch of right-of-way would that require coming back to council? Or is there something in this ioa that's making that a administrative process. >> The response is it depends. Staff can only do what we are authorized to do, but we are not authorized, for example, to waive fees.

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So if a waiver fees related to phase two or 3 is requested that would come to council. As Peter mentioned the future traffic analysis or studies related to phase two or 3 those are administrative in nature so those would be relate between staff. >> Alter: We've talked about how wonderful having this park and mall is going to be and you mentioned the cultural institution. Do you have any sense of what that cultural institution is like lie to be and how it will be decided? >> I do not. >> May I? To point out an example of some of the Dell cassies here in working with the state that may not view Austin as some of the local Travis county delegation does that there was already a my understanding, anyway, a swell muching of the use of that for a music museum because there are other parts of the state that believe that they should be the venue for the state music museum. That's part of the issue we have when we're working with an entire state as opposed to those actually interested in the city of Austin. That being said, we don't know what it's going to be and we do know that if -- it's anticipated, my understanding, Peter, it's anticipated that it would be, though, something that would hopefully be not coordinated but complimentary of the Bob bullet and the Blanton museum across the street and it would be a cultural hub of sorts. Again, I point out this is an example of what the difficulties are that we have with looking at this from state's perspective and so we don't know what that's going to be yet. >> Alter: What is the process for deciding?

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>> I don't know that we have the process in place. >> Alter: Is that -- >> That's our understanding right now, is that it's going to be legislatively or through the preservation board perhaps. We're not entirely clear. >> Alter: Okay. Thank you. >> Tovo: Councilmember kitchen. >> Kitchen: Just a quick clarification for Mr. Gonzalez. So I think I understood what you said but I just want to be clear because I thought I had heard you say earlier that in the future items would not come back to council, they would be handled administratively. I'm not remembering the entirety of that conversation but I thought you had mentioned a couple of items you had anticipated that might come back administratively but what you just said is you don't know if anything is going to come back administratively. I may have missed something. >> Sure. So let's start from the beginning, which is the Texas facility -- sorry, Texas facilities commission had brought forward a list of asks to the city and that was in the March time period. And those asks are everything that the state contemplates associated with this project. Some of them will be a benefit to phase two and 3 so those are represented here. So the council consideration for you is for the interlocal to be approved. The next council action following this action would be the actual transfer of the congress avenue right-of-way easement. Those are the only two council actions that are ever contemplated at this time. >> Kitchen: What are the administrative actions that would be contemplated in the future. >> So the administrative actions contemplated are the actual review of things like the street closures, those types of plans, et cetera. So primarily anything associated with plan reviews of the project are the only administrative actions that are considered right now. >> Kitchen: And just so I can

understand, what are those anticipated to be? You mentioned something about the tia or the -- >> Yeah. So what are those

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anticipated to be? >> Kitchen: Yeah, mm-hmm. >> Just, that which is where Mr. Moss and his team would submit to us future street closure plans. >> Kitchen: Okay. >> That would need to be reviewed. Things of that nature. There are things under the general permit for utility relocations. >> Kitchen: Okay. >> That would come our way, reviewed administratively. Primarily review function of city staff. >> Kitchen: I'm just wanting to understand the whole reign of those things. Is that all of them or -- >> We can get a list for you and send it to you. >> Kitchen: That would be great. Thank you. >> Houston: This is my last kind of thing until nurse of questions. What happened to the D until Thursday of questions. What happened to the ob servetory on that corner? Years ago you talked about having an observatory there? >> That was a period of time when there was a public-private partnership statute which allowed for unsolicited proposals to be submitted to the psc so that was a proposal we received. It was not solicited. It was basically somebody came through our door and said, hey, we'd like to do that here. That authority has since been removed from statute and so those things are not under consideration anymore. >> Houston: Okay. Thank you. Then can you provide -- we asked earlier but I'm not sure you captured that, could you provide us a list of all of the properties that y'all have in the city? >> Absolutely. >> Houston: And then it was something else. And I think the last thing that I'm going to just mention today but talk more about on Thursday is community engagement. And how the city -- the state plans to move forward with making sure that their

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constituents who happen to live in Austin know of any road closures. Will you be putting up a toll-free number for people to call and ask questions? Or email or dedicated email address? But how will the state, moving forward, do more to ensure that the constituents who live in this city know what's going on so that they can plan alternate routes to get through the congestion? >> So, I mean, as of right now we have a website dedicated to the project. As time goes on and we have some more information we will post it there. We have means by which to communicate to all tenant agencies in the building and we also have means by which to communicate to folks that are in leases. Beyond that it's going to be close coordination with the state and city transportation to provide them information as to when closures -- obviously asking for permission for the closure but then also working with them to communicate that and then, lastly, I mean, I fully predict that we'll have some flashing signs placed at appropriate locations to allow folks to know that, you know, in a week, two weeks, we will do have some closures. >> I don't know where you live but Austin is a very community-engaged community, and saying that, you know, we're going to put it on the website, a lot of people don't use the website, txdot does a much better job. They sent out alerts on 183 south and then we can disseminate it to the people ahead of time about what road closures are going to look like. I would hope that you all would think more compassionately

about how you are able to reach out. Because when something happens on this people will call my office and I want them to be directed to y'all because y'all are the originators of the project and y'all have the information that can help them so I need to have that kind of access for people who are constituents in this

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city to be able to reach y'all and not go through transportation, who will have to call you and then get back to people. I want that direct access so that's what I'm asking for. >> Okay. Mayor pro tem? >> Tovo: Councilmember Renteria. >> Renteria: Yes. I want to really thank you for coming over here and answering our questions and also the checks and facilities staff. There would have been a time that people would have been embracing this project. It's a great opportunity for Austin, with the kind of investment that y'all are making and what the -- the investment that y'all are making is going to help our city. You know, that's a huge amount of money that you're investing in this project, and I really do support this project. You know, unfortunately, you know, there's different times. The society that we're living in, you know, it's just unfortunate that this project got stuck to happen at this time when it's -- when we're facing that. You know? I really think that this is the kind of investment that, you know, would really benefit our city. It's just something that, you know -- I know that there are some bad feelings because of the last session that came on, but I don't blame my of any delegation here in central Travis county for that. So and I think that this would be a big added plus for Austin. It's going to bring in a lot of tourist money, and I think that it's going to really help our economy. So I really want to thank you all for being here. >> Tovo: Thank you, councilmember. One last quick question. I think we had asked when we were talking about the child care facility, I believe we had asked questions about that and I don't see one of the answers back to the

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question I had asked, whether the child care facility would be open just to state employees or is that something that the general public can access as well? I ask because we have such a tremendous need for quality child care, especially in the downtown area, and lots of folks who I think would be interested. >> [Indiscernible] Yes, it's open to the general public. However, invariably, there's a waiting list of state employees so in practical terms, I see that being a challenge. >> Tovo: Thank you. I appreciate the info. Yes, councilmember pool. >> Pool: One more question has come through that I've been asked to ask. Can you remind us how many state employees who are downtown will relocate to the capitol complex and how many you will be bringing in from outside of the -- that are not currently working downtown? >> So I know we're bringing in roughly about 3400 from leased facilities in phase one. >> Pool: From downtown, from other -- >> Suburban locations mostly. So -- and I'm venturing a guess right now in our current population but I recall it's over 10,000 but I can probably put a finer point to that. >> Pool: Okay. So the city of Austin is engaged in -- as part of our mobility bonds a redo and a review and look, and Mr. Spillar is here and he could speak, although we won't do it today, more eloquently on the corridor

planning, but if we are having 10,000 new workers coming downtown that put additional stress on our existing transit and I know there's interest in having rail to come downtown and I was curious to see if that's something that the state would be open to partnering with the city of Austin to help -- I mean, it's going

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to be expensive backup it would be an asset for state employees in particular who will be commuting to the capitol complex campus. >> Let me just clarify. The 10,000 number is what I believe is already in the capitol complex. The 3400 individuals are the ones moving into the capitol complex from outside downtown. As far as partnering in terms of rail and so on, that's something I don't really have the authority to do so. That's, again, a legislative action. I can say that the 2016 master plan and now the 2018 master plan for the capitol complex does make provisions for locations for rail. >> Pool: I'm sorry. Did you say it does or does not? >> It does. >> Pool: Okay. >> Again, this comes to from us working with capital metro, comes from us working with the city of Austin in terms of master planning so we all are aware of this is something that y'all would like to do, and so the master plan basically provides a path for that, and even with the traffic impact analysis or its conversation about that. So it's something we're receptive to, but in terms of the other commitment, that is something we cannot do as an agency here. >> Pool: Well, that's good news. And as this proceeds hopefully the appropriate staff will be able to join with the state agencies and working together. I don't know who all is involved from the city in working on the master plan with cap metro and the state. >> We have been touch different departments. You know, everything from, you know, transportation, Austin water, Austin electric. It's different divisions. >> Pool: Okay. Great. We'll look for more information as that is available. Thank you. >> Tovo: Thank you all very much. We appreciate -- representative Howard.

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>> I'm limited purpose annexed so I am still part of the city of Austin, though, and I appreciate your due diligence here and your being good stewards for the city of Austin. I am going to apologize retro respectively for any lack of involvement that we've had with councilmembers. I think that the process of course works differently at the state than it does at the city and it was no intentional leaving out of anyone. I'm glad in having the conversation that we're able to move forward. The final thing I think I want to make sure that you do understand is that the state will move forward with building these buildings without the mall if that's the decisions that made. And the state will do that because it can. What we're asking you to do is grant us an easement so that we can make this building that's going to happen anyway something that will give us this 4-acre urban green space. It's not meant as a threat. It's meant to give you the realities of what we're dealing with at the capitol. And that was even mentioned by one of our senators in the hearing that we had. So not to say that that's a reason to do this because I think that you're a very -- appropriately asking the questions that need to be asked in your representation of the constituents of Austin. It's a unique group you're working with at the state, and

there will be things that will happen regardless of your decision. I'd like to see it be a decision that benefits all of us and benefit the city of Austin. That's why I think that senator Watson and I have been so actively engaged in

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this. Not because I necessarily want to see more buildings downtown. Those are going to happen. One way or the other. This is to me a better way for that to happen and I appreciate your willingness to work with us. I hope we've answered your questions and the rest of the questions and I think Mr. Moss will be getting to you so that you can make an informed decision. If anything else comes up in your executive sessions or any other time please let us know because we want to make sure you have everything you need to make a decision that your constituents will not be in their best interests. That's what we all want here so I really appreciate your giving us this opportunity. Thank you. >> Tovo: Really, thank you. Thank you to the staff for coming down and answering all these questions, both through writing as well as being present, and thank you, representative Howard, to you and senator Watson for all your work to make sure this is the very best project it can be for the city of Austin as well as for its intended purpose for the state. And of course thank you for your hard work every day. Okay. So let's back up to item 5. We have several other items that were pulled for discussion and then we have some scheduling issues to discuss and we have what promises to probably be a lengthy briefing so we should move quickly. I pulled item 5, the Austin water item which is to approve an ordinance renaming the slaughter creek management unit to the Mary gay Maxwell management unit. It does say Dr. Mary gay Maxwell management unit in our backup but it is my understanding the environmental commissions and other commissions who considered it recommended that as Mary gay Maxwell management unit. We do have staff here to answer any questions. Really I pulled this to see if there were any questions. We did pass council resolution honoring -- asking our -- asking this to proceed through the process in honor of Mary gay Maxwell

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who has had such an important and valuable role in the city of Austin. I see you have a question? Go ahead. I'll recognize you in a minute. My intent here is to make sure that if there are questions that we can address them between now and Thursday. Her family will be present on Thursday and so if there are questions or significant concerns I want to be sure we address them in advance. Councilmember Kitchen. >> Kitchen: I just wanted to let everyone know I'll be just -- actually memorializing some direction my staff has been working with our city staff on and that's to -- in addition to this renaming to place a -- I'll call it a plaque for lack of a better word, but some signage that will be speaking to Dr. Maxwell's work in this arena. And I don't -- I don't have in front of me the language that's being contemplated, but I will have that on Thursday and my understanding is that this is something that our staff wants to do and has made arrangements to do and so we've been talking with them about doing that. And that will just provide even more information for the public about the -- you know, the great

work of Dr. Maxwell. So Donna in my office has been working with staff on that so. . . >> Daryl Slusher -- >> Tovo: Mr. Slusher, would you like to address that? >> That's correct. We do welcome that and are drafting something and to share with you or vice versa, so we look forward to doing that and think that's very appropriate. >> Tovo: And if there's a way to share it with the full council or as long as as a sponsor of the initial item I'd love to be able to review that in advance of Thursday as well. >> Kitchen: Sure. All I'm talking about for Thursday is not the language

[10:34:19 AM]

per se but to surface to everyone that that's part of what's happening. >> We'd be happy to share -- we don't have a final draft yet, but we would do that. We would share it with everyone. >> Tovo: At least some information about the intent. As I'm understanding the intent that you're describing, it would be to talk about Dr. Maxwell's contributions and perhaps her vision for that tract in terms of it serving in the future as an educational resource. >> That's right. We would try to get as much of the learning into that sign, you know, about the tribute to her and what she was trying to convey into that one sign and then we would have to do more as time goes by. >> Tovo: Great. Thank you. Any other questions about this item? Okay. That brings us to item 31. Councilmember alter, you pulled this item. The champions item. >> Alter: I'll be really brief. I just wanted to clarify with my colleagues and the public my understanding from staff at the moment is that staff will be briefing us on Thursday and that the action on the posted item with respect to variances would be taking place the next week. On December 14. Thank you. >> Yes that is correct. >> Alter: Thank you. So if people wanted to come to speak about that item -- item 31 with respect to the champion's tract, they would do that on the 14th. Thank you. >> Tovo: Just to clarify, but we will be having an executive session briefing this Thursday. >> Alter: Okay. Thank you.

[10:36:19 AM]

>> Tovo: Any other questions? >> Alter: That way we're not voting on the same day that we're getting the executive session briefing and I appreciate it since I was not here when you voted on it, that it would be really DIX for me to have to vote on something and get the executive session on the same day. >> Tovo: Great. Other comments on this item? Okay. Item 32, councilmember kitchen, you pulled this, special events ordinance. >> Kitchen: Yes. My understanding it's been postponed. >> Tovo: I'm glad you raised that. I didn't understand it had been postponed. What's the postponement date? >> Kitchen: I don't know. I just heard this morning. I can we can ask staff. >> We're going to have and postpone until April, after the spring music season. What we learned a couple of weeks ago from a stakeholder meeting we were directed to do is we do have issues we want to try to resolve so when we bring them back to council we have a more well-vetted ordinance we bring to you. Our plan is to go back out into the -- with our event stakeholders to have probably another couple of meetings in January going into February, and then try to resolve some of these issues that we can probably resolve and, again, to come with a more well crafted ordinance for council to consider on third reading. >> Tovo: Okay. I can't possibly support a

postponement until April. This has been ready for third reading or second reading or whatever we're up to for four years or three years. I mean, this has been a multi, multiyear process and it's been postponed multiple times. We need to move forward on some of these provisions. Remember that not -- some of the provisions in here are those that are smaller organizations have asked for. They would like an ordinance that works better for those smaller organizations and yet we've -- I understand there will continue to be concerns among some of the stakeholders, but I believe it's time for policy action.

[10:38:19 AM]

So I don't mind postponing it on Thursday, and I don't think next week would be the appropriate day because we already have an agenda that's really probably beyond manageable, but I would -- with all due respect to staff, if you recommend that it be postponed until April I'm going to make a substitute motion that it come back to us in February. >> Okay. And we would try to work as quickly as we can. The thing that's going to be happening for the [indiscernible] Austin center for events staff is we're going to into the spring music festival season with south by southwest, we're going to get pretty busy over there but we'll try to do our community engagement as soon as we can. We'll try to come back in February if we can. I'll have to visit with staff. >> Tovo: It would seem to me since the spring festival is in March that that would -- I'm not sure you gain much time if it comes back in April because March is kind of a wash in terms of working on the ordinance and, again, having had many years -- and I don't have the dates in front of me, but it has been multiple years to do that stakeholder engagement at some point we just have to I think agree to disagree with some of our partners. Some of our great partners in the community. >> Right. >> Tovo: And just take some policy action here at council. >> We'll try to move as quickly as we can. Absolutely. >> Tovo: Councilmember alter. >> Alter: I'm a little bit concerned that this remind me of some issues we've been experiencing in Austin resource recovery. Can you share with us what some of the issues are that are holding up this ordinance? It does seem to keep coming back and then gets postponed and I don't know how many times I've done my homework on it and then it get postponed. >> Right. Different issues. We've heard from the neighborhood associations about street closures and whether or not they would lose their power to in a sense -- if they would object to a street closure. One of the things that occurs with neighborhood associations is here in Austin is that sometimes neighborhood associations, their boundaries do overlap so sometimes we don't know

[10:40:20 AM]

which neighborhood association in a sense we then make a determination, is that something that would come to council, something we would have in our appeals team under the ordinance? So we would have to try to figure that out. And so we've got that issue. I don't know if I explained it fully, but we have those issues. We talk about credentialing at events, who can actually be at different events, what credentials we would observe. There are others having to do with exemptions, who would actually have to get a special event permit? One of the questions has been do funerals have to get an exemption? If there's a police escorted [indiscernible] They have to get a permit under special events. We would say

no. There are other events like that that we kind of want to vet out and there are many, many others that we heard from neighborhood association representatives as well as event stakeholders that we want to go ahead and review and provide a response back and we just need a little more time to vet some of these issues. There's a lot of issues that have been brought to us over the last couple of weeks, over the last three or four weeks. >> Tovo: Councilmember troxclair. >> Troxclair: I guess I want to understand. I share the same concern that mayor pro tem tovo has. I know I have small community organizations in my district, for example, Travis county that hosts a 5k charity run every year within their own neighborhood and our existing ordinance has been a major hurdle for them because of -- well, because of a lot of reasons, but so I, too, was looking forward to making some changes and having a new system in place. What are -- and as she mentioned this has been under consideration for a few years now. So how -- of the issues that you just mentioned, are those things that were not

[10:42:20 AM]

brought forward until the recent weeks? Or help me understand, what is -- what is a new issue that hasn't been, I guess, considered or -- >> Yeah. The biggest issue that's come up especially -- I'll mention the one having to do about the super majority, about whether neighborhoods could district 3 or disapprove an event that is coming through their event. One of the issue is something that emerged. We had sort of known about it but had not had that case occur very often but now neighborhoods feel if they lose that power that events that might disrupt or cause traffic problems in that area they may not be able to zero and try to work out a solution with an event organizer. >> Troxclair: That was not brought up until recent weeks? >> Yeah, we've got several issues that have come up in -- over the last couple of weeks that we want to try to resolve. They've been kind of some major issues that are going to take real thinking, real vetting on our part, and we've told the event organizers and the neighborhood associations we can agree to disagree but we want them to be able to let them know they've been heard. In some cases we've had neighborhood associations who told us they weren't able to attend the neighborhood -- community engagement we had right before the holidays, they still feel like they want to be heard and haven't had that opportunity. At the same time we've heard comments that have come to us and we have not had an opportunity to vet all of these different idea to see whether or not they're doable or not. And we would like to try to come back with as much of an agreed-to ordinance that we can but we understand we can't accommodate all of the requests and in some cases will have to agree to disagree. >> Troxclair: I don't know if this would be helpful to my colleague or if it's possible to put together before Thursday but this has been such a lengthy and

[10:44:21 AM]

complex issue it would be helpful to have some kind of chart that laid out here are the issues that were issues from the beginning and either have been resolved or people still disagree with but have been on the table for a long time and we need to probably move on, here are the issues that have just come up and we might need to spend a little more time working on it. I mean, if it's possible to divide the

question and -- I mean, it sounds -- it sounds like some of the things that you're mentioning could be brought forward in a resolution, separate resolution in the future that we could move forward on the bulk of what's included in the new ordinance and maybe come back to address, you know, the issues that you're talking about. >> Sure. >> Troxclair: I mean, it is -- I feel like the time line on this particular ordinance is just gotten to the point where it's really not acceptable and so -- >> Understood. >> Troxclair: I'm not inclined to support any kind of postponement at this point. >> Understood. So I believe staff does have that, and we could probably bring something forward by Thursday. If that's what the will of the council is. >> Troxclair: I mean I think it would be helpful it understand what are the new outstanding issues you feel like you need more time on and what are the issues that we could move forward on now. >> Okay. >> Tovo: I also -- you know, from what -- and because it's been postponed I'm not as familiar with all of the details as I will need to be before we vote on it, but it seems to me that we have a procedure in place currently that allows for 20% of the block to object. >> Right. >> Tovo: And then it goes through an appeals process. It seems to me that some of the objections you may be hearing are because there's a change to it we could keep it the same and that would resolve that concern. I would be interested in hearing a little bit more about the neighborhood associations, which ones have objected and why, but we have an option of not making a change to it.

[10:46:21 AM]

I think one of the big changes as I understand it is that it takes those decisions out of the city council, the city council is no longer the appealing body. >> Correct. >> Tovo: So if we keep it as it is, that resolves that concern. But I really do need to understand better some of the other concerns. Some of them have remained the same for the last four years. It was on our agenda, passed on first reading four years ago and it really is time to get something in place. We are not going to be able to resolve all the concerns and perhaps if there are new concerns about the changes to the ordinance perhaps we leave them the same. I mean, that process was long vetted. The street closure process and shifting it to one where instead of all the property owners signing off affirmatively to allow a street closure to go through there was an extensive task force process of very diverse task forces, about half event promoters and half others, as I recall, I served on it. They came up with street closure provisions relatively new in the life of the city. Well vetted, carefully constructed comprises. If that's now causing concern let's leave that in place rather than making a change that may not even be necessary. It's not like we have tons of events appearing on the council agenda for street closure consideration. >> I'll work with staff to bring that list on Thursday. >> Tovo: That would be helpful. Thanks. Appreciate it. Okay. So where are we leaving that though? You're bringing forward the chart. Is there a will to postpone -- I mean, it would be my suggestion that we postpone it to February. It sound as if, councilmember troxclair, you'd like it considered on Thursday? >> Troxclair: Well, I am going to be attending a conference on Thursday so I won't be at the council meeting so I'll leave it up to the will of the council. I certainly think that April is probably an -- the sooner the better in my mind,

[10:48:22 AM]

whatever the council decides. >> Tovo: Great. Thanks. Anybody else who wants to provide feedback on this? I just don't want staff thinking we're going to try to move forward on Thursday if really what we're doing is just coming back with an earlier report -- earlier postponement date. Councilmember kitchen. >> Kitchen: I would agree with your approach to suggest a postponement until February. >> Alter: I agree to the postponement until February. It would be helpful to make sure that chart is available to the public or that there's a presentation on what those items are so that we can -- the public can understand that because somebody might have brought up something and that was the solution to somebody else's problem and they don't know that there's change afoot. >> Tovo: Great. I think what then -- what you're suggesting is that we get that chart sooner rather than later and I completely agree with that. Is that your suggestion, that we try to get that chart from staff as soon as they're able to produce it? >> Ia. Maybe even have five minutes where they read out the chart so that more people are likely to understand what the issues are if they have a stake in these additional items because they may have been involved in this process and think their issue is resolved and somebody else brought up something else and now it's opened up a new can of worms. >> Tovo: Good point. Thanks. >> My understanding on Thursday we'll make a five minute presentation on some of these issues that have been brought forward and then we'll then postpone it until February. Is that my understanding? >> Tovo: That sounds good to me. That would be my suggestion. >> Okay. We'll do that. Thank you. >> Tovo: Thank you very much. Okay. That brings us to item 45. Councilmember kitchen, you pulled this. This is negotiation of a contract with American medical response. >> Kitchen: Yes. I just have a couple of questions about this. My basic question then is, you know, what is the reason for this, given that these are duties that our ems is

[10:50:23 AM]

performing right now? And so why are we talking about outsourcing this? So that's what I'd like to understand. And related questions to that is, my understanding is that if there were some concerns about ems having sufficient resources to carry this out, why are we not just using the dollars that we're talking about here to outsource, which I understand are not identified where they're going to come from, why are we not using those dollars for ems so ems can continue to provide the services? >> Good morning, mayor pro tem, councilmembers. This really started several years ago when we started our transition from the 48 to 42 hour workweek in removing extra events and things that we do so that we're not bringing in people on overtime so we want to keep them at their shortest week possible. Currently all the event we do at the conservancy are an overtime so people have to come in on their days off and provide those services so that's extra workload. We've worked with other areas to reduce that workload. We used to cover the Erwin center and all the events that happened there, and we worked with the Erwin center and UT personnel to -- they've found other solutions for that. While it is a function we do, it is not some of the primary roles. What we focus more on is the large scale events, a/c, south by southwest, where there's going to be a mitigating factor to 911 call volume. So we've been providing those services and we're trying to reduce the workload on staff currently. >> Kitchen: Okay. So my understanding then staff, having to use overtime to handle that. So -- but we're talking

[10:52:24 AM]

about as a city using -- well, at least in the outyears 100,000 a year and in the first two years close to a hundred thousand. If we were to instead of outsourcing with those dollars use those dollars to put them into the ems budget, would that be sufficient to help alleviate some of your overtime? >> It could be. I would default to Mr. Tester, but I believe those dollars are also recouped by the vendors themselves -- or the -- they're called vendors, the people purchasing those services. So it's -- even now our services are passed onto those recipients who are asking for ems services at their conventions. So -- but we have asked or had on the horizon issues several years ago unmet funding needs, things like that, a special events section that had more personnel in it, the all various types of events. We've worked with the convention center to make sure that on large scale events that would require a transport unit there, such as boxing and other events critical to have those, that we would still be there for them. I'm not sure if that answers the question. >> Kitchen: Let me make sure I'm understanding then the flow of funds because the fiscal note states that the funding in the amount of 69,375 is available -- let me confirm that that's out of the convention center operating budget, if I understood that correctly. But the initial two-year term is 192,500, so I had thought that the -- that we were expecting these dollars to come out of our general fund. Is that not the case? Are we expecting these dollars to come out of the convention center budget? I mean, who is going to pay for this rfp? >> Fiscal note says it's to be paid for out of the operating budget at the convention center. >> Kitchen: Okay. >> Not the general fund. >> Kitchen: The total amount going forward. >> Yes, yes.

[10:54:24 AM]

>> Kitchen: Okay. So but -- but what I'm reading here is it says funding is contingent upon available funding in future budgets and it only says that 69,375 is available in the convention center budget but I thought that the cost was more than that. So that's what I'm trying to understand. >> That's the standard language. The 69,000 is the portion of the two-year term that is within the current fiscal year. >> Kitchen: Okay. >> And the funding language that says it has to be available in future budgets is standard language on all the fiscal note. So there's nothing unusual about this. It would be the same language if it were to be paid for out of the general fund. It's just the standard language we use. The only portion of the contract is affected for the fiscal year, that's why you have the 69,000, not the full 192,000. >> Kitchen: Okay. What I'm understanding is the entire amount will be paid for out of the convention center operating budget? That's the thinking. >> Yes. >> Kitchen: Okay. And then but the option of the convention center paying our ems is not something that was considered, it was just -- was the thinking that that was not the best use of y'all's time? What's the thinking. >> Like chief brown said we were trying to reduce the workload in overtime coming back and we have worked with the convention center through this. Also, I think the door is open in the future in case we decide to redo this and revisit it. We also looked at what would it take to cover all of our special events with this special events staff? >> Kitchen: Right. >> And that number came out to be about five staff to handle almost 90% of our routine stand business and that's not something we've been able to work into our budget. >> Kitchen: That's more than this would be, right. >> Yes, it is. >> Kitchen: All right. That's all my questions.

[10:56:24 AM]

>> Tovo: Councilmember, you also pulled item 63. >> Kitchen: That was a mistake. We let staff know we didn't mean to pull that one. >> Tovo: Very good. Item 86. Councilmember alter, this is the great hills mixed use project. At 9820 great hills trail. >> Alter: Grate. I'll be really quick. I wanted to alert my colleagues and the public that this case will be postponed to the 14th on agreement with myself and the applicant. There's been some really fruitful discussions over the last couple weeks, and we want to let those wrap up. >> Tovo: Thank you for the heads-up. Any concerns about that, 1214? Luckily that will be postponed on Thursday. I'd like before we turn to our briefing I think it would be helpful, we have a couple of scheduling issues to talk about with regard to next week, but for Thursday, I thought it might be helpful just to talk about any other items that we think might be postponed or requested as a time certain. I intend to request item 5, the Mary gay Maxwell renaming be a time certain of 4:45. We're having a small reception for family and friends to which you're all invited and that timing works out better if it's later in the day. Councilmember Renteria. >> Renteria: I would like to know how many members are going to be out Thursday? >> Tovo: That is an excellent question. I believe we have two members who are out, councilmember Garza for the same reason I indicated this morning, the equity economic development fellowship and councilmember troxclair, it sounds as if you're out as well on Thursday. The mayor will be back. >> Renteria: Okay. So if someone wants to postpone something because of the members, are you requesting any kind of postponement of any item that -- >> Tovo: Councilmember troxclair. >> Troxclair: You know, I guess I was interested in the conversation about the

[10:58:24 AM]

capitol complex so I will think about whether or not that would be appropriate for it to be postponed for councilmember Garza and I to have input in it, but I feel like I need to connect with the mayor's office about that first. And I'll certainly let you know if there's anything else that comes up but that was the one item that was kind of on my radar. Thanks for asking. >> Tovo: The challenge we have is that next week is extremely heavy agenda. In fact that brings us -- or will bring us in a minute to talking about another item that the mayor posted about on our message board. Other items for Thursday that people intend to ask time certain of for this week? Probably the acbv marketing, I know I'll have questioned about the acbv marketing plan. I don't intend to pull it for time concern but do intend to ask those other items of potential great discussion on Thursday. Councilmember Casar. >> Casar: I think it should be pretty quick, item 58, the city owned property at St. John and I-35 there's just some community members that work that may want to come speak letter but people from the St. John Baptist association seems might be -- send a representative a little bit earlier so just I expect we'll have maybe three speakers and it sounds like nobody pulled it for today [indiscernible] That goes by pretty quickly and easily but since those people will probably be committing a lot of volunteer time to helping us reimagine that property, I think it's good just to have them state that commitment before the council really briefly whenever it is that they can -- so it probably won't so it probably won't be a time certain thing if we can

have a few people in the morning and two or three in the evening. >> Tovo: Thanks for the head's up. And it's my understanding today we have the opportunity to go into

[11:00:25 AM]

executive session to discuss dripping springs application very briefly. I had requested that we have an opportunity to talk about that today since there's a pretty tight time frame on some elements of that. And there were some passing references to potentially discussing the capitol complex in executive session. Are there any questions that anyone believes they need to ask in an executive session today? Councilmember alter? >> Alter: I would still like to idea a little bit more about the interlocal and the phases and I think that might be better asked in executive session. Or I can ask my questions separately if that's -- >> Tovo: That's the general will of council? Would you like to have a brief discussion of that while we're in executive session today? To hit on some of the questions that we were not able to ask in open session? We just want to give a head's up to the staff. They're not prepared to do a presentation, so it would just be answering questions that we have. Why don't we go ahead and include that on the list. So when we break after our briefing we'll be discussing the dripping springs and the capitol complex and that's it. The other items will be on another day. Councilmember kitchen? >> Kitchen: On e-5, the authority on the ethics commission are we not going to talk about that today? >> Tovo: It's my understanding that we'll talk about that issue on Thursday because the city attorney is doing it and she will be present on Thursday. >> Kitchen: Okay. I may not be ready to vote on it then on Thursday if we're going to be talking about it on the same day. >> Tovo: We had talked -- city attorney, we had talked about doing the -- >> Yes. >> Tovo: Okay, thank you. >> Kitchen: So as long as I have the option after we -- and as long as we're talking in executive session first and then as long as I

[11:02:25 AM]

have the option to then suggest postponement, I mean, the 14th is the last week. So is it going to be possible legally to postpone the item? >> Tovo: City attorney? >> Yes, councilmember, we can postpone the action item until the 14th. >> Kitchen: Okay. No, what I mean is -- I got you. I'm sorry, I'm getting my weeks confused. Okay. So we could postpone it to the 14th, okay. Thank you. >> Tovo: Councilmember alter. >> [Inaudible]. >> Tovo: So one thing we had done was craft an earlier deadline so that we could talk about several meetings in advance. We haven't really been doing that and next week is a pretty crazy schedule. So I don't know if anyone -- I don't see that anybody pulled any items for next week, but if anyone has something they would like to talk approximate about on the 14th agenda, I would suggest we do that. I know the health and human services committee made a recommendation that I'd like to recognize the chair to just address. >> Houston: Health and human services met and we will be recommending to the full council Mr. Reginald Smith to serve on the board of the sobering center of Austin. He's got a long background in work with folks who are having concerns about substance abuse disorders and alcoholism, and comes from San Antonio, I believe, has been here in Austin for a long time, very engaged in the recovering communities with both adults and teenagers. So we think he will

be a good thing for the sobering center. >> Tovo: Thank you. And there has been a vacancy for the last several months so it would be important to be able to pass that next week on the council agenda so I would suggest that -- that was one reason why I wanted the chair to mention that so that we could get that done next week.

[11:04:26 AM]

Things are moving quite quickly for the sobering center. In fact, they'll be an-- there will be an announcement this week about the executive hire. Councilmember pool. >> Pool: On next Tuesday, work session, I'm a representative on the city of Austin employee retirement system and we have an important year-end board meeting starting at noon. So just to let you know I will have to leave this meeting at about 20 of 12:00 next Tuesday. So if I have any items that I want to discuss as a pull, which I don't yet know, maybe we could do them before I have to go. >> Tovo: Thank you. I'll try to give a head's up to the mayor as well. >> Pool: And if there's any executive session I've already asked my staff to let legal know so I could get briefed the day before so if there is an executive session on Tuesday I won't be able to be here for that. >> Tovo: Thank you. So next week we are scheduled to consider and deliberate on the Austin police department contract. There is an item on the message board that the mayor has posted asking us to consider whether we should set that as a special called meeting for Wednesday next week at either 3:00 or 4:00. And so he suggested that we discuss that at the work session. So I open that up for consideration. We are of course meeting on Thursday, the 14th in a regular called meeting, so this would shift that item to discussion to hear testimony from the public and possible action on Wednesday the 13th beginning at 3:00 or 4:00. Councilmember kitchen? >> Kitchen: There's three of us that are involved with the capital metro meeting that might make that difficult at that time. You know, we're scheduled to be done and we may be done, but we may not be. So a special called meeting Wednesday afternoon could present some difficulties. We also have a health and human services committee

[11:06:27 AM]

meeting. Do we have that or no? Maybe that's been changed. For the 13th. It's been changed. >> [Inaudible]. >> Kitchen: Okay. So I'm not certain how we could fit in a special called meeting. >> Tovo: It appears that we do have a 2:00 public health meeting the 13th. It is a relatively light agenda according to the city manager. Councilmember Flannigan? >> Flannigan: I would have some concerns doing it on the 13th given that it's already posted on the 14th. People may have set work schedules because of that. They may have requested time off. If schedules work you could speak Wednesday or Thursday, that may be an option, but I would not support making the decision on the 13th because it's already been posted for the 14th. >> Tovo: That's an excellent point, thank you. I think the alternative you offered would be the only one we could consider, which is to invite people to testify on Wednesday unless they come on Thursday. Councilmember Casar? >> Casar: Sorry to jump in now on this point, but I would have -- I think that if we're going to pick a day it should be one day or the other. I think that we have proven that the space that we are given we will take, and so if -- I just don't think -- I think that if I'm going to cancel -- if

we're going to change everything for our Wednesday schedules potentially, which sounds like it might be complicated anyways for at least three of the members, but if we were to do something like that, I would really want to know that -- that's the day that we're going to handle that issue and that it's not going to creep into a whole other day. So I would just want to pick one of the two days. I discussed that with the mayor and I think he concurred with that point. I didn't see whether that was clear on the message board or not. But then ultimately if Wednesday doesn't work

[11:08:27 AM]

because people have commitments, then maybe we just need to figure out how to best manage our time on Thursday. >> Tovo: Councilmember Flannigan and then councilmember kitchen. >> Flannigan: And maybe one option is to consider other items that are posted for the 14th that we might remove to create more space for the police conversation on Thursday. >> Tovo: I would say that creates the same issue that you've described for the Austin police department contract, right? We've had it posted for the 14th and we may have people who intend to come on the 14th who don't know that their items are being moved to the 13th. >> Flannigan: And I think, yes, and I think we could probably identify items that aren't going to likely have that much of a problem on that point. I also -- we're in this situation often where we're now at 10:00 P.M., 11:00 P.M., midnight, people are trying to give testimony, they have childcare issues. I don't know the puzzle we need to solve. I think maybe the manager's office or staff could help us solve this puzzle in a better way, but it seems like there could be zoning cases we could do the day before or other cases we could do the day before where the universe of stakeholders is much more finite. Where you could much more easily assure that the applicants and advocates and communities folks that are interested would know the day before. I feel like there are other items that may be more effective so we can avoid the 2:00 A.M. Police decision. >> Tovo: Councilmember kitchen and councilmember troxclair and then I have a couple of comments. >> Kitchen: I don't know -- I don't know that we couldn't be here. I'd have to talk to councilmember Renteria and councilmember Garza. We just haven't had that conversation. So perhaps I should have looked at the message board earlier, but this is something that I wasn't anticipating that we would change it. So I have to think through whether that makes sense. I have a lot of concerns about it. >> Tovo: Thank you, councilmember. Councilmember troxclair? >> Troxclair: I was going to ask councilmember kitchen

[11:10:28 AM]

if she knows what time the cap metro meeting might be finished because I know you originally said 3:00 or 4:00. I'm assuming that four would probably be better. >> Kitchen: It probably would be fine, but I'm not going to leave the capital metro meeting if we're not done. >> Troxclair: Yeah, I know, but I was just wondering how late your meetings go. >> Kitchen: Probably we would be done, but we are discussing a CEO search. >> Troxclair: Very important. But if you do decide that Wednesday would work, it sounds like 4:00 would be better than 3:00 to give you more -- [overlapping speakers]. I was just going to say I'm really uncomfortable with us making decisions late at night when we have those meetings that go late. I

mean, really I would prefer to kind of have a hard stop at our council meetings at 10:00 so that we're not putting constituents in that position of feeling like they have to be all night at council and we are in a position that we are well rested and have our sanity. So I think my preference -- I hate to be away from my family for another night that week, but I think my preference would be on Wednesday because I am going to be really uncomfortable making any kind of decision if it gets too late on Thursday night. >> Tovo: Councilmember alter and then I'll get to you next. She had signaled a little berleer. >> Alter: So I have a strong preference for doing a part of the agenda on Wednesday. At some point Thursday night I will have a childcare issue. My husband is out of town and having someone be there, you know, past midnight to 5:00 A.M. Becomes a real challenge. >> Tovo: Actually, I'm sorry, councilmember Houston and then councilmember Renteria. >> Houston: That's okay because I've forgotten now. [Laughter]. >> Tovo: Tried to get to you as soon as I could. [Laughter]. Councilmember Renteria. >> Renteria: I don't have any problems as long as it's after four olympic. -- 4:00. I can stay here all night Wednesday night.

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I don't have anything on Wednesday night, but I do have -- with our search and I have a couple of meetings set up. So if it's after 4:00 Wednesday, I don't have any problem. >> Tovo: Councilmember Houston. >> Houston: I remember a search with no media attention, by the way. >> Tovo: So I don't think that we're going to be able to meet all of these concerns because if we meet on Wednesday, one way or the other we're going to take up some items that people thought would be addressed on Thursday. If it's the police contract, then likely because there will be so much interest we'll have to hold it open until Thursday and invite people to come and talk about it on that day as well. I believe I've seen some press out there that [lapse in audio] May know differently. I'm not sure where this leads us. Councilmember Casar, did you have something to add? >> Casar: I was just going to say that if -- I would feel comfortable if we -- we had a lunch break, we have executive session, maybe the staff could either take a look to come up with some items that we could handle on Wednesday that would save us time on Thursday, we could think about that, and when we come back we could touch base and see if there's conclusion and those on cap metro would think about a four or 5:00 P.M. Start on the police contract. I would feel comfortable with that as long as we aren't spilling into Thursday because I think just for everybody involved, regardless of one's thoughts on this particular issue, that will push us late into the night on Thursday potentially and take up all of our time on Wednesday. And so then what was that for? So if we decide to handle the police issue on Wednesday, maybe that's -- just the lunch hour is time for capital metro and other people to figure out if they're comfortable with that and with a whole eight days' notice I would feel comfortable making -- I'm sure people would hear in the news and through all of

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the various people that are interested that we're taking it up on Wednesday and I anticipate would probably prefer that than testifying from 9:00 at night until midnight or whatever. I just would hate for --

I just think that maybe not coming up with our schedules right now and actually taking a moment for people to go back to their huddles might be good. >> Tovo: Councilmember Houston. >> Houston: And I want to suggest maybe Wednesday morning? Is that a possibility? >> Tovo: I don't know. My guess is that the late afternoon time was selected to make it convenient for people who wanted -- for members of the public who work all day who want to participate in that discussion. >> Houston: And there are some people that would prefer to come when it's not traffic time. So I'm just saying Wednesday open looks open for me. And with the capital metro board meeting now, I'm not sure I'm going to have a quorum for the health and human services commission because that starts at 2:00. And you all start at what time? >> Kitchen: Well, we start at noon so one would think that we could finish by 2:00, I just don't know. >> Tovo: Councilmember Garza did weigh in via email suggesting that it probably would be done. Councilmember alter. >> Alter: I like Mr. Casar's suggestion, but I also want to suggest that if nothing else we could do our executive session meeting on Wednesday. Which would free up some time -- I don't know if we of that, but at the very least we could do that on Wednesday. >> Tovo: I think that's another worthy suggestion. It sounds like we all have [lapse in audio]. Regardless, we're going to have to be really great at managing our time next week. Since we haven't really pulled any of the hot topics for next Thursday's agenda today, I would suggest we use our message board and our question and answer process and so that we can really be prepared to knock it out on Tuesday at our work session and then on Thursday. And I would just say generally, for, I don't know, maybe decades council meetings have been on Thursday and so it is --

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it's challenging for some of us, maybe all of us, to adjust to special called meetings at other times and we've had a special called meeting this Sunday, we had a special called meeting with I think four days' notice the Monday before Thanksgiving, which was a day that the school district was closed. You know, this presents -- certainly presents a challenge for my family to have special called meetings with little notice that fall into the evening hours or on weekend hours or on days where the school district is closed. So I would really just request that as much as possible we try to keep our council schedule pretty set. And when we need to schedule special called meetings we try to do that with as much advance notice as possible. I likely can be here next Wednesday, but it's not a certainty. And I share that information because when it's a challenge for my family, I know it's a challenge for our staff's family and various other people who need to be here to support our meetings beyond just the council. Our schedules are crazy and we know that, but it also has an impact on the various other people who need to be involved in those meetings. Councilmember Houston. >> Houston: I just want to say our economic development staff has been here since 9:00 this morning to brief us. I'd like to move on to that. >> Tovo: We're going to, but it is critical that we kind of knock out the scheduling stuff because our next couple of weeks are going to be busy. So we have concluded all the items that we pulled for today -- >> Kitchen: I'm sorry, go ahead. >> Tovo: I guess we'll revisit this after executive session or we'll provide this feedback to the mayor and the city manager and see what sounds like the best option. Councilmember troxclair. >> Troxclair: I am sure that the city staff has already done this, but to the extent that there are things on the calendar -- the agenda for the 14th that you think might involve council discussion that

aren't going to be consent items that can be moved to our next meeting after the new year, that would be helpful as well.

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>> Tovo: Councilmember kitchen. >> Kitchen: I would like to briefly revisit this after executive session today. >> Tovo: Okay. We can certainly do that. Okay. We are ready for our briefing. We are having a brief executive session to talk about the dripping springs item and answer a couple of quick questions about the Texas capitol complex. >> All right, good morning, council. David Colligan with the development council. Thank you for having us this morning for an update on the economic development policy. The focus of today is to look at the resolution that you passed in March asking economic development to conduct a stakeholder process in which we could collect information to better inform recommendations around how it is we could update our economic development policy to reflect some of the current conditions within the economy. So we've been out on the trails collecting more information and the goal today is to provide you that information. As you'll see we've been elevating a lot of the data points we've collected to be able to get your information and to get more of your guidance as we look to move forward in bringing these recommendations to you. I've got a couple of individuals with me here that are going to be helping us through the process. Julia Campbell who works with me in the economic development department. And also John hockenyos who has quite a few years of working within this realm especially in the city of Austin. Let me first say before we move on the community was very excited in all of the interactions that we had. We were able to host hundreds of different conversations over the course of this period of time where we collected thousands of pieces of information, but in terms of engagement and the first overarching tone that I can provide you is general excitement for council's willingness to open up the

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conversation and have dialogue about a stronger degree of economic development in a different or a change in our incentive practice here within the city. In looking at the process we structured, it looks a little something like this where we started off with your resolution which we'll review just because there were quite a few different tones. We had a community outreach process that we're going to go through in detail today and provide you more of the outcomes of that process. You can see here it broken down into three different structures where we have community conversations. We had an online survey or a different online exercise that we'll talk more about. Then we've been meeting with quite a few different subject matter experts throughout this conversation. While that was happening staff was also doing additional research so we could better understand how incentives are being used by peer cities within the state, but we also looked at comparative cities and aspirational cities across the nation and abroad. Where that red line is shows where we are today. We're continuing, we'd like to review this as one of our community conversations where we bring more information to you and we get your feedback before we turn over all of this information to our consultant, which is txp, and their team, so that they

can better inform us on some of the recommendations for moving forward and then we'd like to bring some of those policy recommendations back. Today we have John Hockenjos with us to provide more economic development context. >> All right, Mayor Pro Tem, members of Council, thank you once again for having me. And I want to say on a personal note I consider this an honor. I was involved in this 15 years ago in the 2003 Mayor's Task Force on the Economy in the wake of both the dot-com bust and the housing crisis. I've lived here over the last 30 years and while it's a professional engagement for me, it's also personal about the future of our community and the area where I perhaps have something to contribute in an around

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our economic development policy and patterns. So I appreciate the opportunity once again to be involved in this fairly comprehensive effort to rethink and kind of refocus on what we're doing in and around economic development. How many of you here are fans of John Oliver? Anybody watch John Oliver? Everybody watches John Oliver? Even old me now sometimes watches John Oliver. Did you see the stuff he did on incentives in the wake of the Amazon scramble, let's call it? It's worth YouTubeing. He did this really funny bit. He's always funny, but the funny bit in particular was on the Noah's Ark Museum in a town in Kentucky. So Amazon has kind of put focus on this issue for us and of course John Oliver has done a great job of lampooning some of the worst excesses in and around this space, but it does lead us back to a fundamental question, which is some of the context we're talking about here. Why do we do economic development and really in the context of that overall, what's the city's role? What should the city be doing in this equation? I think there are three broad themes that really inform why a city gets involved in economic development. One of them is what I am calling resilience. There are times, as in right now, when we are at virtual full employment in Austin. I looked it up, the most recent unemployment rate for the city of Austin is 2.4% as of October. That's a very, very strong level of overall employment, but that hasn't always been the case in Austin. We've had plenty of times in the recent past when we've had unemployment rates multiple levels higher than that. In some cases three times as high as that. So we need to be somewhat resilient. We need to be sustainable in my opinion. We will see even within industries there are significant changes. I'll show you a picture or two on this around how within a given industry, how that industry functions in kind of different sort of strengths and weaknesses and the industry change over time in the community. And one that is really I think on everyone's mind,

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and I know animated much of the Council resolution around this. Is this both equity and opportunity. There's a strong sense in Austin, which the data supports, that while we are experiencing this full employment level, while we're experiencing this overall level of prosperity, a lot of folks are being left behind and there are a lot of folks who either are struggling to find employment or are underemployed, working jobs that don't provide adequate incomes to support rising costs of living here. I'm not telling you anything you don't already know. You told us and I'm going to tell you that we've kind of validated

that. You have these three broad themes that you pay attention to. What's the city's role? The most fundamental role is the day-to-day operations of the city, creating the infrastructure and the quality of life that supports functioning of the private sector and do you this everyday. Public safety is obviously a big element of that equation. The regulatory environment makes a big difference. Certainly how we control our land use requirements, what we can do around that, what kind of tax regime we have, what kind of other regulatory considerations. Those are also important as well. And then in some cases and sometimes the city says let us step beyond that a little bit. Let's take a look at some programs, let's program take a look at some incentive structures that allow us to address what economists call market imperfections, where some simple terms people are getting and left behind right now and have some direction about our future. I dare say in Austin we've done a pretty good job in that, particularly the latter part. I think we can do a better job on the former part, but historically we've done a pretty good job on that. And that's where the city can deposit into the equation. Let me show you a couple of pictures. This is a chart we got from our friends at capcog on percentage change and we always do this on a year over year basis for individual sectors in the

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economy. You have professional and business services there which is the red line. And information which is the blue line. Those are sort of what economists think of as high value services, requiring advance degrees to be part of it. You see that the growth rate in both of those has actually turned negative in recent months, which is interesting. The other two, [lapse in audio], retail trade, hospitality, those are the biggest two private sector segments of our economy, but it's noteworthy over the last couple of years two of our core industries, professional services and again information, have actually dipped into negative territory, have actually lost jobs. I think that sort of speaks to both the issue of sustainability and also resilience to some degree. , So I mention that individual sectors change. This is sort of an example but it really is kind of interesting. 10 years ago it was between manufacturing stuff and designing things. You can see there it was almost exactly the same back in 2006. Today we've actually lost jobs on a net basis although we got a little bit of resurgence but we're still not back to where we were 10 years ago on the making stuff part of the computer equation. We've tripled the volume of people doing design work. So again, you have these broad sectors, we're just calling this the computer related sector, but within that the structure has changed and we're a lot more in this about doing the design related and just because of the environment we're in, the structure of the economy continues to evolve. And on this next slide I think is fairly compelling. This is the poverty rate for the city of Austin by census tract done in 2009 and 2015.

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I'm sorry I don't have more recent data although I'm afraid that it won't tell much of a different story. The poverty rate in 2009 was 17.9%. The poverty rate in 2015 was 18%. So it's essentially unchanged, but the topography of poverty has spread out a little bit and what this really tells us that you hear is

probably on a daily basis is that the benefits of prosperity have not been equitably distributed and folks who find ourselves in our disadvantaged communities continue to face a lot of challenges. So clearly this is an area where all the rising tide has not lifted all boats. The data tells us that. Your constituents tell you that. It's an area we need to pay some attention to. So this next slide is sort of a timeline and again you see here we've put on the overall unemployment rate for Austin and in the United States as a whole, it's interesting we follow trends in the overall U.S. Economy, but we continue to outperform the U.S. Economy because I personally think Austin is pretty fabulous. That's my personal opinion. Not everybody would agree with that. But it is -- it does say that there are times when we want to sort of shift the emphasis within those different themes that I was talking about in the wake of the dot-com bust the unemployment was high, in the wake of the big recession the unemployment rate was higher. We're now down in the unemployment and we can potentially shift some themes. You see the fallout on some of the economic development deals done under the chapter 380 structure and these were all around business recruitment and almost entirely around high skill, high wage jobs. That's a piece of the equation historically. Certainly it can continue to be a piece of the equation, but in my view it's not the whole story and that's what we're here to talk a little bit about today. So before I turn it back over to David let's review briefly what the sort of

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animating and enabling legislation has sort of been. This is one of the simplest that I've seen, chapter 380 of the local government code. 381 is the same thing that flies to counties and that's the entirety of it right there. What it basically says is cities can enter into agreements or create programs that promote state or local economic development. It's not a whole lot more complicated than that. So what that really needs is as a community, as a city and also the county can do this too, you can enter into economic development by contract. You can say to someone here is what we want from you and here's what we're willing to give you back in return. This enabling legislation in my view actually is great because it's very, very broad. The challenge that I think emerges out of the process that we are going through now is to put parameters on how these programs, contracts, potentially incentives, are structured so that the community knows what to expect, so that potential applicants know how the record card is going to be graded, how it's going to be evaluated, so that we as a community can be responsive to the environment we find ourselves in today. So with that let me turn it back over to David.

>> Yeah. So the focus of our stakeholder driven exercise was to better define economic development in 2017 because while economic development conditions may be different today in 2017, I think you find yourself in a very similar position as we were in 2002, 2003. If you look at this timeline you can see there was a lot of services and support that was provided to develop the economic development department. We took on more of a global perspective. Instead of just having to bootstrap a lot of our different efforts like we were going for small business, you can see how it is more became engaged from the city organization from moving this effort forward and prosperity.

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Since we created our policy in 2003 we have had no major rewrite of the policy. In fact, we've only had additions in terms of regulation that has been added on top of that policy over the 15 different years that we've been operating with it. You can see here some of those different add-ons were helpful in terms of administering the policy and how we were stewards of the policy itself. Some of them increased what we hear as burden on some of the users of the policy or those that we were looking to partner with. So here we're doing able to pull this list and we'll show you how we interacted with these different regulations through our process. This in terms northwest regulation toolbox this is what we have in terms of economic development. The purple shaded circles are things we are currently working with and the blue are some of the areas that we're not working with and we were testing out through this process. I can tell you the business recruitment circle is really the only circle that is focused on the use of chapter 380. The other purple half shaded circles were using other funds or sources to be able to deliver work within that area. In that we are we have hud funds that are being used in our business loan program for small loans there. Workforce development we do have grants that are available via economic development from other sources in the city and we have a niche program for the creative sector to look at content development that is 380, but we're also developing hot taxes for having heart around the community. But in terms of anything directly related to chapter 380, we're got a pretty slim toolbox to be able to use here for some of the things you requested. This is the actual resolution language that

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came to us in March and you can see here as we explore with the community a lot of different uses were supposed from council. A lot of different tones. So a stronger emphasis on the types of jobs being created and the type of audience that we're looking to create those opportunities for you can see here tones much place making as we connect with affordable commercial spaces. Even focusing in on more activity and job centers. And then you also have healthy options kind of being posed. How are we going to connect more with public benefits and also with some of the lifestyles that are being influenced in economic conditions as well. [Lapse in audio] Some of the regulations that exist on the previous slide, slide 9, directly prohibit us from being able to do some of this work. So when we do come forward in the future we'll have to have a discussion about how it is we can maybe he remove some of those barriers in the future. So now we're going to start going a little deep beer our community outreach process so that you can understand how the community definitely connected to those themes that you posed through your resolution in March. >> Pool: Can I ask a follow-up question for clarification? Mr. Colligan, you were saying on page 9 there are some things we can't do? And can you be more specific about which ones and why? >> Sure. I can point directly to more of our location-based work that's being suggested through the resolution, looking at how this tool can connect maybe with activity centers or certain locations. And we know that some of the past regulations on slide 9 say that we don't have the ability to work on those project style working or mixed use developments within the community. >> Pool: So the items that are on page 9 are things that are preventing us or

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are obstacles? I'm just not following. >> Some of them could be in the future, depending on the type of work that we're looking to do. >> Pool: For example, the construction worker safety and the living wage requirements and so forth, that is seen as an obstacle to a 380 agreement? >> I think maybe not an obstacle depending on the type of work out the outcomes that you're looking to achieve, but it may be a regulation that isn't desirable from what we were hearing from the community in different types of programs. >> Pool: So I would not -- that's fine. They may feel that way, but these are really important policy decisions that this council specifically has made, and I see that that also has happened in the past because these are older resolutions. And then I just -- so that may be something that we are not necessarily going to be open to, but the other thing I wanted to ask you when you talk to stakeholders, but talk with residents of Austin? For example, the ones that I hear from regularly who have issues with 380 agreements and feel like it is a subsidy that they are having to pay for, but they don't necessarily get anything in return for it or they don't see any return for it. So if you could talk when you get to it more specifically about the stakeholders that you interfaced with and let us know which just general residents of the city you talked with. >> Absolutely. >> Houston: Just a moment. Councilmember kitchen? >> Kitchen: Just a clarification along what councilmember pool was asking. On page 9 the third bullet is about an even older ordinance that talked about incentives not being available for mixed use development projects having a retail component. Were you suggesting that that was not aligned with our resolution as it's laid out on page 11? I was just trying to see if that's what I heard you say. >> Correct. In exploring to do location-based work as we were hearing from the

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community there was a need for, we thought it may be in conflict with that existing regulation. >> Kitchen: Okay. All I would say about that is that I think location-based work is a broader directive than mixed use development having a retail component. Now, it may be that we need to revisit the 2009 ordinance and be more granular about what it says, but I'm just hoping that we're not moving forward with the interpretation that we can't look at -- that we can't look at working towards development in our corridors, in our imagine Austin areas that are location based. So if there is something specific in the 2009 ordinance that impedes that, I would want to know exactly what that is. >> Okay. We'll bring that language forward. >> Houston: Councilmember pool, did you have another question? >> Pool: Is my light still on? >> Houston: Okay, thank you. >> Tovo: So perhaps we should get through the rest of the presentation and then ask questions, or if you have other stopping points we can pause there. >> Thank you. So looking at our community outreach process, we structured one that has four different phases where we were looking to listen, engage, prioritize and validate. This was a Progressive exercise where the information that we collected in the previous step or activity directly connected to information that we were working with in the next phase. I think you will see how it is we were working with very basic community information that we were able to collect from the very first day. Phase 1, opening up our community conversations, in June we hosted a series of eight different sessions that were held

throughout the city in different districts. We were able to draw in 165 unique attendees after inviting 450 plus people to these conversations. From that point in time we asked them what does a

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prosperous Austin look like for you at the very opening of these meetings? And from that point we were able to pull apart some different themes to better understand what it meant for our stakeholders and the community at large to live and work in Austin because we know the city of Austin is unique and sometimes you're experiencing both your living and working or you're both just working while you're living. So a lot of our creatives were able to identify with this and better able to understand what that connection meant to a lot of the constituents here. From that point in time we held a series of different sessions for each one of the areas that we were testing O you can see the list here with those who registered and attended as well as the comments that we collected. We were focusing in on four different questions in each of those sessions. So what are your challenges? What are your barriers for development? What are characteristics of a mutually beneficial program if one were to be created from this process, and what was the role of government? In collecting those 2500 pieces of information we were able to distill them down into these values that we heard back from the community. You can see here a strong emphasis on how it is we are interacting with the business base and creating more opportunities. In terms of how it is we were able to connect that better to our practice, we can look more at the definition of affordability and equity that we were able to build out, provided this information. We provided a longer definition, although this is just a snapshot of each value within the bound document that we provided to you. But hearing all of these different values delivered through the economic development process, helped us to reimagine the economic development position and being able to focus on commercial -- I'm sorry, equity and affordability, which we've outlined here.

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Seeing how it is the economically disadvantaged are looking for job opportunities and how it is they are looking for workforce development opportunities to connect them there was definitely a strong piece of information that resonated over and over again. Our small local creative and cultural businesses are definitely being impacted by this conversation around affordable -- commercial affordability and we're definitely seeing that experience by a lot of those businesses that we feel would be heritage businesses or we identify with very closely within our neighborhoods and communities around the city. We heard over and over again through this process that we were looking to go about this process in the traditional way of recruiting some type of large tenant that could help us create the types of jobs that we were looking for that we had conditions within the market that were going to make that very hard as well. The lack of housing options manifested itself as housing workforce opportunities and how it is we could better knit ourselves and our work together with other departments within the city to address this type of issue. Of course, transportation was not far from that conversation as well as we're looking to build up these more compact and connected communities throughout the city. There's an inequitable

disbursement that we were hearing from constituents. They aren't seeing some of the different elements that we relate to as our quality of life within the city, although they felt that they were paying for those things by being here within the city, with the desire to stay within the city as well. And overall we heard about the reduction of diversity not only within the culture and feel of the city, but really within the business base as well. So these are themes that resonated and we were able to apply more of kind of an economic development filter to show where it is or how it is that we can be focused on opportunities in the future. And moving out of phase 1, we opened up this online

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exercise that was a little more comprehensive than a traditional survey. We weren't asking our stakeholders to say yes or no to information, we were asking to help sort and validate information that we received through the previous exercises. We did a pretty strong job of promoting this survey. We developed out of small commercial and we were focusing on [lapse in audio]. We did a lot of work through even having more commercials ran. We also translated our survey into an English and Spanish copy and we had online and hard copies available that we distributed as well. We had a very strong completion rate for a survey and we were able to read the sample size that we were looking for. You can see the break down here, small business being the strongest of respondents, but we had responses that came in from all of your districts. We have that mapped if you would like to see that information as well. What we were asking for our stakeholders to do in this process was to go through those existing regulations that exist, that we were talking about earlier, and tell us where it is or which of the programs that they defined those different regulations should be placed. We were also looking for them to work with the values that you just saw and help us to better understand where some of those values connect with different types of programs as well. So we found that requirements like mbe, westbound, living wage, prevailing wage, some of these are departments in which the stakeholders were saying may not fit within a small business program or creative sector program or a workforce development program. So clearly helping in bringing that message forward that one size does not fit all. In looking at these different types of grants or loans. I phase 3 we were looking to prioritize information through each of the past two

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phases. We brought in 32 different C level executives and we held them in a room for about six hours while we looked to go through each one of the programs defined by the community and start looking at the values for exchange. That we were hoping to prioritize through this process. But before going through that exercise we wanted to make sure that each was aware of some of the different forces and market elements that we're facing here in the city on a daily basis. So we had a series of speed briefings on demographics and some of the changes that are reflecting themselves here within the city. The spirit of east Austin was another major theme that we wanted to bring through this. Opportunity Austin stepped forward and provided a briefing as to how it is they're looking to interact for 4.0. We had our

workforce study in terms of the regional master plan provided by workforce solution at the time and then ual stepped forward to provide a briefing on place making and had a strong focus on commercial affordability to help those executives understand some of the barriers that are facing our small businesses. After that process we started to see that the community is looking at exchange values much differently than how it is we initially defined our exchange values in 2003. And so by having a policy that was very focused on business recruitment and solely one area within economic development, it aligned itself very well with the number of jobs coming online in the market, the size of investment that was coming in from that type of project and then some of the benefits connected to those jobs and investments. But here in 2017 a lot of our stakeholders were noticing especially through the course of that day long session there were other elements that could influence some of the partnerships that we could be bringing forward and you

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could see much more social benefit or a stronger impact locally through some of these different exchanges. So a much stronger equity lens here in terms of what it is we're looking to exchange for some of these different partnerships. And so this is how we started seeing some of those different programs on a spectrum of equitable prosperity through equity and social benefit. And our respondents were looking at a lot of gray matter through some of the different programs that were defined by the community and so in looking at some of these different programs we noticed that it's probably best to not be wedded or committed to just one single program or just having one specific focus for what it is you would like to develop. We think we could probably collapse a lot of this work into different types of programs for you. That's where doing the peer review was very helpful for us. And so in the future you may see something like a business recruitment and expansion program where we're looking internally to address expansion potential, but we're looking to advance the values locally instead of just latching some of those values on to the businesses that we're looking to recruit into the city of Austin. And of course, both of those could have workforce development components as well. If you're looking to do more location based work we think that we could definitely help to form some types of programs around that that would bring in more small and local business affordability but also something that's more affordable for some of our spaces here and contribute to the community outcomes so you can see some of these folded within one another. Finally we put all of this information together and we started going out to different stakeholders within the community so that we could close the gap on the individuals that were showing up for some of our different meetings and those

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that we were looking to meet with. 20 different -- 22 different boards and commissions meetings to meet with each of those and start validating this message. We then started meeting with different subject matter experts such as financial institutions, some of the different developers that are here within the market. We met with the different companies that are currently chapter 380 users and so on

to better help them understand what it is the community is saying and to help us bettered in more about the process that exists currently. So you can see through this period, which is still ongoing because we're still meeting with some of the boards and commissions, we were able to validate economic development's role in affordability and equity. We were able to spend more time helping the community to understand the role of economic development and how we could better address some of the needs provided there is support for more of the economic development toolbox which they were excited about, but also more of the development from the economic development and the organization overall. Finally, and closing out the research and development portion of this exercise, as I mentioned previously, we looked at peer competitor and aspirational cities to get a better understanding of in terms of chapter 380 used within the state of Texas what currently exists and we saw a variety of different programs that were also kind of connecting within some of the areas that you were looking to work. We also started looking at different aspirational cities by cities themselves and those that are our peers throughout the nation, but also those that had specific verticals, maybe small business, maybe local business, maybe the music industry was of interest. So we wanted to see what types of programs were there to support that type of work within their community. We understand that we do have a lack of some of the

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different programs that exist, but in looking at that peer review I think you will find a lot of unique and creative ways that these communities are interacting with their business base that we would like to be able to bring forward to you as solutions in the future. So with that said, we'd like to start bringing forward some of the initial considerations and then make sure that we have some time to hear your feedback in this process. >> So it's interesting. It's clearly time, and I said this beforehand and I think the work that really I think very good work that David and Julia and their folks did to reach to the community confirms what I think you all sort of felt when you drafted the resolution. That it is time to refocus the whole economic development policy of the city and specifically the programs within it to go beyond just business recruitment and particularly beyond just business recruitment of high wage jobs. For what it's worth, that was always the intention. 15 years ago the intention was not to set a policy that would live sort of in surface sis. That should be done periodically. Whether it should be done every five years, 10 years, two years. The needs of the community change and policies and programs should evolve to meet that changing environment and those changing requirements. So I think it where we find ourselves is looking at the programs that have the lack of job opportunities for those who are hard to employ. We were working on thinking about the definition of hard to employ. Certainly people who have had a recent experience with the criminal justice system, people with special needs, people who are below perhaps 200% of the poverty level. Interesting suggestion from a councilmember was people who only had a high school degree. We can work on defining who these folks are in an appropriate way, but clearly there are people in Austin who are hard to employ and

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we need to find a way to help them address jobs. We also need, I think related to that, be look at middle school jobs for existing residents because there are plenty of people beyond those who are hard to employ who aren't employed, who aren't making enough money to meet the rising costs here and are being priced out of the market. So that's an important focus as well beyond just the folks who are actually struggling to find a job over and over, and it's related to that again, we heard that a lot of what we think of as the fabric of the Austin business community in a lot of ways, the small, local, creative, cultural, heritage businesses are facing challenges. A lot of them, frankly, related to the cost of occupancy of the space that they are in. And then we also really found that there are specific needs and specific communities. That the needs in southeastern Austin may not be the same as the needs in northeastern Austin. That different communities have different needs. So all of this says that it's time to refocus what we're doing and put higher priority on responding to these issues as opposed to just on business recruitment. And so I think that we are not at the place of coming forward deliberately. Obviously we wanted to have a check-in here and make sure we are on the right path with specific recommendations around programs. Or changing parameters around policies. But I do think broadly we're going to probably want to retain the performance basis. I think that's probably always been a strength. Which is typically we ask people to do things in sort of an agreed upon structure and then the city responds if they fulfill their end of the bargain the city fulfills its end of the bargain. I really do think we have to broaden the range and scope and evaluation used for both loans and grants and probably creating some new programs around all of this. And then we will have to look at some of the regulatory constraints. Not because we want to deviate. And again this is my view. Not because we want to

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deviate from council priorities, but because we want to enable perhaps again some of these other constituencies here we're concerned about to function a little better and that we might be able to refine some of the regulatory requirements that better fit their needs. So from my point of view in terms of the overarching considerations, this is kind of where we find ourselves. Let me say one more thing. Recruitment is something we all are paying attention to. And I've heard a number of conversations about who are we recruiting? There's I think an appropriate desire to be out there trying to recruit middle school jobs. I think we should be looking at that. I think it is somewhat challenging because the cost structure here overall, we definitely should be looking at that, but in a lot of ways I think we need to look at our existing comic base, to our existing businesses here, to add people, to expand their operations, to do more trying to serve these constituents as opposed to trying to recruit the ball-bearing factory from wherever. I just like saying ball-bearing. It's one of my favorite words to use so I like to work in in wherever I can. With that, David, I'll turn it back to you. >> Outside of the financial exchange, we heard a lot of information from the community that I think really resonated for the department itself as to how it is we could be operating, tweaking a lot of our services and support, especially to connect with our small local, creative business base. And I think that everyone has appreciated the connections that we've been able to make with large businesses, but they're looking for stronger collaboration within the community overall. So in moving forward, you know, we're we're definitely looking at process improvements, not just within the economic development department but how it is we can be working

internally and externally throughout this organization, so more of our peer departments are a part of this conversation as well. How it is we're able to

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connect more of these departments to be a part of these different projects on a small and a much larger scale within the future. In moving forward, we're also looking at how it is our process can better connect with more of the goals that are being communicated today and the measuring outcomes definitely start to connect with more of these different types of variables that we were kind of explaining throughout the course of better defining those values for exchange with the community in 2017. But also we're going to be looking at a stronger level of communications that are coming out of the department and hopefully better lifting a lot of the different elements of business engagement throughout the organization overall. Over and over again through these conversations with community members and stakeholders, we were hearing about programs that they wish existed and actually do exist, they just didn't know about them. And so I think that we're going to need a stronger level of engagement within the community on more of a regular basis and so we'll look to start to make more of those changes within the department to be able to assist more of the organization as well. With that being said we'll look at next steps. Provided that this outreach process is still open, you can see the elements that we've already engaged with and that we're looking to close out. Today we're briefing and looking just for information from you in terms of your thoughts. Maybe what it is you would like to highlight or prioritize and what it is we discussed today. We'd like to be able to come back now February with those recommendations for your economic development policy and look to move in March to be able to accept that economic development policy so we can then begin looking at different programs to assist you with the work that you outlined within the resolution. If you have any questions. I can also say that we've got more information available to you via the website.

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We've tried our best to be able to outline all of the different steps that we've been working through and provide information very quickly to the community and to stakeholders through this process and so the online version of this document is much more interactive and easier to be able to review if you'd like to get there for more information, and we're available for any questions. >> Councilmember kitchen. >> Kitchen: Thank you all for all this work. It's really excellent work. Really appreciate it. So I just have one -- well, two quick comments maybe or questions, if you care to comment on them at this time. The first is the location based. And I assume that on page 25, where you're talking about responding to specific issues in targeted areas, that can encompass that. Basically what I'm thinking about is I'm going to be curious about what tools we could look at to incent the kind of development that we have identified in some of our neighborhood plans, for example, and in some of the parts of town that we've identified as activity centers and imagine Austin, just as two examples. In other words, we -- you know, how is it that we can -- that we can be more targeted in terms of where we are developing in the city? So that's one

thing I want to see. Is that possible to do with incentives? Just some initial thoughts, if you have any, on that. >> Yeah, that's definitely the type of work that we're looking to engage with. To take it a degree further, I know that cultural arts has been undergoing a study for cultural asset mapping so it's something very similar and there's a suggested portfolio of tools that aren't as focused as what it is y'all have outlined in your resolution, but it shows you some of the different types of tools that exist that we could be leveraging so I think, you know, there's a shade closer to that type of work but

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definitely that is what was being articulated by the community in more of a location-based style program. >> Let me also say I think that's absolutely right. Incentives typically are, again, company comes forward or an organization comes forward and says we'll do this and the city says, okay, we'll give you back something or we will give you something in this sort of exchange idea. It's certainly the city, as part of its budget effort, part of potentially its bond package as well, to look to economic development spending. You could spend money on infrastructure. You could spend money on facilities. You could develop programs that are funded outside the incentive process that could help promote economic development that could have both a location consideration and maybe other considerations as well. That obviously is something that's up to y'all. But you're certainly -- you certainly can do that also. And I think the time is pretty good because this -- hopefully this work can inform some of the budget process going forward. >> Kitchen: Okay. We could look at it both from the standpoint of the traditional approach to incenting entities outside the city for taking certain actions but we could also go broadly enough to look at actions the city might take, so, for example, if we wanted to put dollars into a fund or a property or some kind of approach that then the city could then use that property to help small businesses through, you know, lower rents or something like that, that -- that's just one example, but a range of examples in other words that we're not limited to just the model of, you know, we offer incentives to someone in the private sector who is going to do something -- yeah, I think that's right. >> Kitchen: Okay. Thank you. >> Tovo: Councilmember pool. >> Pool: So y'all know that I had some criticisms of the previous 380 agreements and was looking at the current one in my district to see whether there was a match-up and alignment with the

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things that were promised and the things that were delivered and we did find it was sometimes difficult to track things back to make sure that the elements that we were looking for in an ordinance agreement -- or in an agreement were being -- were continuing to happen, especially when there are sales involved. So I think the agreement that we had at the domain was with the developer at the first and then that was sold and then that property was sold on again. So there were three different owners of the same property, so I think that's something that needs to be considered in any kind of an expansion or change. We need to be able to track back to if we are providing a benefit or a subsidy to an entity, how then is that -- does that follow along when there's a sale of the property? I want you to know that I really like

the refocus that you are talking about here. My significant criticisms to me like we were continuing to provide pretty significant subsidies to groups that really weren't struggling, and the larger developers certainly had much more financial wherewithal than a small local entity. I really like that focus that you guys are talking about here, and I may have actually said something about that to that effect back in March when we passed the resolution, to ask for this to be reviewed. So I want you to know that, and I'll be following this really carefully to make that recognizes that smaller entities have fewer options and to the extent that the city may want to have a role in helping them with expanding their business or being able to remain in place, that I think that's -- that is the kind of goal that this council that I'm privileged to certain on has been asking

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for in the three years that many of us have been on the council. Also to that end I'm wondering if there is a way, for example, if an entity sells onto one or two other successor owners, if there's a way to have a review and reiteration of a policy to continue after a certain number of years. What I found was we would allocate our dollars a year in advance and then we would encumber them and pay them. So there's a lag time of two years, for example, in the domain agreement but there was no understanding that we could in fact change that or have some effect on that, where I still believe that we're providing over \$2 million a year to an entity that has not indicated that they're struggling, they're definitely not struggling in the domain. And that was the context of my concern about the 380 agreements over the summer and during budget. We could use that \$2 million to expand our public health contracts or to put toward our housing trust fund. I mean, that was \$2 million we could have used for something else, so I'm hoping as we learn from the past and we deal with policies and procedures that previous councils have put into place that we can also craft them more accommodating and make them more adjustable, more anymorebly going forward. That would certainly have made me feel for comfortable with regard to what I was searching this summer. I'm really uncomfortable with the fact that entities can challenge their property tax appraisals, which happened in this case, I think there's a 27% reduction in property tax appraisals for the domain plus the 2 million that the city of Austin was providing them and that really -- that

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adds up to a significant sum of money and that's the larger context I really hope when we do this refocus that we can avoid that sort of situation. So as in forming a question, how does that sound? And is that something that y'all will be looking at in the rewriting revision of the 380 agreements? >> Sure. In terms of having John and his team on board, you know, we have to be able to weigh community information with what it is that will help us to be competitive in different types of projects. Understanding that each of these types of programs would be structured differently, with different measurements and outcomes, we still need to be an attractive participant or player. We need to be inviting to be able to bring more of these values forward and secure more of those elements within those types of deals. And so I think

we're going to have to strike a fine balance in terms of what the process is providing to the city of Austin in terms of the contracts that we have, but also what is attractive to those that we're looking to partner with to bring --some of those things on-site. I think being able to reconsider some of those agreements after the agreement has been made is something that may not be attractive in working with some of those different developers, especially when they're looking at a major investment that's going to take an extended period of time. But, John, do you have any thoughts? >> Yeah, I do. Everybody is concerned about that, right? And a lot of it is about the but-for question and a lot of it is about the, gee, these guys are doing great, why are we continuing to give them money? I think the city has the capacity to really reflect its values in the contract you put in, put together as part of these deals. That's one of the beauties of this enabling legislation, is that it's pretty broad. So that if we have specific

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requirements such as if an entity is transferred we can define, do the benefits of the agreement flow to the subsequent entity, if so, in what form? All of that can sort of I think addressed kind of upfront as we are doing these contracts so that we make sure that the applicant in this particular setting knows exactly what, you know, is required of them and what's expected, what's expected of them and what the deal is coming back. I mean, that's the beauty to me of chapter 380, is the city gets to reflect its priorities in putting the parameters around those contracts. >> Pool: Well, I would say this makes me think a little bit about the process that we had in place and have for a number of years for our cultural contracts/grants. We have legacy groups who get a certain amount of money every year, but we also are acknowledging there are new groups that want to break into the grant process and they also deserve to have a chance at receiving those monies. And if we lock up all the monies with legacy or long-term groups then we don't have room for the newer ones to make their way in. And the good news with the cultural contracts is that that is reviewed every year. >> Mm-hmm. >> Pool: These contracts wouldn't be, and so I might urge you to look at rather shorter-term agreements that maybe, like, with the other contracts that we have we say, well, this is a five-year agreement with five one-year extension kind of things and put in here so we can be more nimble to just not only for what the city is doing generally but specifically for the group or firm we might have the contract with and then the other firms that may also be trying to find an entry point to have benefit for -- of the provisions and the grants that the city might allocate. I'm just looking for a way for us to review and be more agile because I think the financial markets respect

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that and that -- and they look for that. >> Provided that we have a policy that's organized and allows for us to bring to you different programs that connect with certain outcomes, I would maybe suggest shorter-termed programs where we're able to look at the measure. And that type of program in the future? Rather than looking at each one of the projects and focusing in on, did that specific project -- because we did make a commitment and we have to live to the spirit of the commitment at that point in time, and I think that would be better in forming more of those relationships in the future. >> Pool:

Sounds like you guys are going to be working through all the various ways of putting this together, and I just look forward to seeing what you come back with. I agree, I think the shorter-term with the opportunity to continue them on would be a good way. Then you're not making any definite commitment, which is the point that I'm trying to get to. >> Tovo: Councilmember alter and then next we'll turn to councilmember Flannigan. >> Alter: Thank you. I like the direction this is going right now. I like the way it's going to set us up to be more pro active and not just be responding to the companies that thinking about coming to Austin. I think it's also going to put us in a position to negotiate in a way because we'll have a bigger toolbox to use than just the incentives and the economic development department will have those tools so I look forward to working with you to expand that toolbox, particularly interested in the expansion of supporting the local small bids -- small businesses as part of that. I want to make sure I understand from a policy perspective. What I'm hearing is the 380-enabling legislation is very broad with a lot of freedom. This is not a case where the state is restraining us. This is a case where our own ordinances for various good

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reasons may not be the right legal framework for us to be operating in right now at this time for the values that we want to be putting forward with this policy. Is that -- >> That would be my opinion, yeah and I can't speak to the ordinances, right. I can say that I don't know of any other economic development enabling at the state level as broad as this one is and quite frankly I view that as a opportunity for us because it gives us the freedom. >> Alter: We're so sure to having the state restrain us. In this case it's really our own legislation. >> It was hard for me to even articulate that. >> Alter: Yeah. So then as follow up to that I would love it if you could compile for us in a packet and maybe it's already in this and I missed it a list of the ordinances you feel govern the economic development not just the numbers but the actual ordinances themselves so that we could get a sense of what's out there in terms of the governing legislation that we as the city have. I think that would be helpful. One of the things you haven't talked about in this presentation is funding for any of these programs and where that comes to from and if that is constraining in some way, I know during the budget process we were able to get more workforce development money via the utilities and so can you speak to the funding side of this and how that shapes what we're able to put in the toolbox? Or ways that if we -- maybe if we funded it through investment development we can do things we can't do if it's funded through nhcd? I don't know what the appropriate comparison is. >> We are certainly -- historically, incentives have been performance-based, which means company X shows up -- and I'm simplifying -- pays their sales and property tax liability and gets some of it back. So in terms of a budget question, kind of the policy question was are we getting

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more than we're giving? You know, but it wasn't taking existing resources and redirecting them. In response to councilmember kitchen's question, however, I don't think that you have to be constrained

by that view. I think you could be looking at revenue the city has in hand that could be spent from a variety of sources in a variety of ways. We are saying -- I'm certainly hesitant as a consultant to tell the city of Austin how to spend your money. I mean, I think that it's our job to help you think through what some of the options are. That's obviously a council decision when it comes time to allocating resources. But if you open it up beyond the sort of just performance-based, come pay your bill and we'll give you a piece of it back, then I think really this is a lot of different areas that could be looked at, and we're happy to do that. But that's kind of an interactive process going forward. >> Alter: I guess I'm going to need to understand better the funding sort of model because there's the piece that's on the property taxes that you're giving back and there's the piece that funds the actual economic development development and its various programs and there are lots of different funding sources and part of the discussion I think about the toolbox is how do you fund those tools? We can have a toolbox but if we can't buy the tools or whatever, rent the tools, whatever, we can't actually do it even if we could have that tool in our toolbox. I think when you come back I'd like to really be able to see some discussion of the funding mechanism and the trade-offs that are involved. One of the reasons I'm bringing that up is that for me, what about appeals to me in this, is the sun for the city to be -- opportunity for the city to be accomplishing multiple goals with the same money. If we can train someone to be a nurse, we can help that individual, we help her family, we help the kid come to school, they've been fed, the health care industry has another employee they don't have to be central being, we have lower health care

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costs. There were multiple things we can be doing, and so I want us to be doing those multiple goals but I also want to understand kind of the funding part through that. In terms of how this is structured, another piece in addition to the ordinances, I really would like to understand what are some of the organizational impediments within the any we are so cycle load in so many ways in economic development if it is done right would require cooperation across departments. I'm not familiar enough to know how that's working or not working right now. I don't know if we need some kind of ombudsman helping through this process or some direction where economic development is called in on a regular basis, you know, I'm a little bit concerned been our soccer stadium that we're talking about, whether economic development has been part of those discussions. I think there's a value add from what you bring from your expertise and from the broader economic perspective that, you know, someone in public health or someone at pard may not have and how do we create the conditions organizationally so that we have the right conversations at the right time with the right people and do it in a way quick you have no actually let the market do its magic to help us grow as a city? So I think as part of this discussion we need to be talking about those organizational things. And then going back to this kind of multiple goals, we as a city, like as a city organization, have our own workforce goals. I'm not sure how that fits into our economic development discussion. We have to be hiring people in this really tight market ourselves, and I don't really see us doing a lot on that pipeline. And so we're investing money that helps all these other businesses but then we're also -- you know, in a sense costing ourselves money because we're not making those investments into our own workforce. We have living wage jobs.

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We have these things. Is there a way to be -- make that a more virtuous cycle? And then, finally, I just wanted to mention in addition to the health care one area I'm really curious about how we could build more synergies, which is the construction industry, we have a lot of young people who might do very well in a construction industry if they were trained. We have a construction industries that says they're having trouble getting labor. We as a city have to hire people to work on our mobility bond and all of our things but yet there's a gap in this workforce. How is it that we're identifying kind of our workforce targets? Some of them seem to be missing real obvious things where if you really did want to target particular populations you'd pick different industries. You know, somebody who has grown up in a household where they don't have college-educated parents, they know what a construction worker is. They know what a nurse is. They don't have fully idea what a tech worker is. I have a ph.d. And I have no idea what the tech workers do half the time. How do you -- how do we make those opportunities available and kind of really connect everything back up in the most productive way? >> Did y'all want to respond to those questions? >> Yeah, I agree. How about that. [ Laughter ] Because, I mean, it was very well stated. I'm nodding my head because I agree with all of it. We aren't at the place yet to bring you the specific details around all of that, but all of that I think resonates with me. I'll pick one. I think some of you know I have a special needs child, and I'm heavily involved right now in structuring a process where by he and other kids like him will transition into community-based living and employment. My intention if this all happens with some of my other businesses is to lead

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by example and start employing people on the autism spectrum. We'll come forward with interesting programs I think as part of this that the city can look at as participating in it. That can be something the city may want to do in this equation with other hard to employ populations with its own workforce. So, you know, I heard everything you said and I thought, yep, that's all right on, agree, we will work to build some of that out for you. >> So a couple of thoughts on how it is that collaboration could better work and kind of connecting to some of the different pieces that you spoke of earlier. Oftentimes, especially in meeting with our minority trade groups, they emphasize how important these contracts were to them because it delivered more opportunities for them and the companies that they represent. Unfortunately, because of the size, they're small companies, especially in construction, can't scale up to be able to achieve that type of or to -- to participate in that type of contract. So can we look at breaking more of these down? Of course. That's something we can definitely look to work on in the future. That's going to also require some process improvements with our sister department, smbr. So we're going to have to work through that with them as well. How it is that we can actually go about helping with workforce development, I think that this type of program or facilitating these type of conversations we'd be sitting on a different side of the table. In negotiating how it is we would like to see more workforce development programs connect with different types of industry. So we're excited to see a new angle in which economic development could be working as well. And also, you know, in looking more holistically at some of the bigger visions I think you were connecting with something today, the corridor down

congress street, where we used to have a chapter 370 program available for small businesses that we're looking to renovate their business within that area.

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attention and enhancement fund created back in 2007, which was a revolving loan of funds for loans, for small businesses that were being impacted by the construction we were seeing, and so we were taking a small portion of development fees to have this fund contributing to loans for those small businesses. Unfortunately, there are no more dollars within that fund. By having economic development within the conversation of what it is you experience today we could be looking at how it is that type of project would potentially impact small business, could potentially impact creatives, and what were some of the different ways that we could help to participate and keep those small businesses time line through those type of opportunities and then after as well. So I think there's a lot of different ways economic development can collaborate and bring new perspectives to a lot of the conversations that are being had, provided we've got a series of tools or the opportunity to develop tools that will help more clarify I was providing that in some sense as feedback and also as direction in terms of what I want to see when you come back. It wasn't necessarily expecting them to answer all of those things right now but, you know, that's what I'm going to need to see to be able to move forward with the program and I've already had some conversations with David, and I apologize if I kind of built off of those without going back to the [indiscernible] But I'm very excited to see this and I look forward to having those pieces as part of the puzzle when you come back. >> Tovo: Thank you. And councilmember Flannigan, you're next. I wanted to take a brief aside and say there was an interesting article in the Texas municipal league about a city making it a conscious part of their employment practices to employ individuals with differing abilities and real interested in -- I know that our city does that as well but I think that's a really,

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just to pick up on what -- the kind of opportunities you were referring to, Mr. Hockenyos, I think that's a real area of opportunity here in Austin. Councilmember. >> Flannigan: Really great work so far. I'm excited to see how this thing is going to move forward. When I look at the chart on slide 7 where you list the number of agreements am I counting 22 as the right number? >> That's correct. >> Flannigan: In 15 years of doing these we've only ever done 22 deals. Do you know how many of those have not yet completed? >> We've had 22 recruitment deals. Today we currently have nine that are active and four that have completed. The rest have terminated. >> Flannigan: So the company that got the incentive did it for a few years and they decided they were going to pay all their taxes and reject the incentive because they didn't want to follow the agreement? Sha what that means? >> Yes. Or exercised their ability to remove themselves from the agreement or exit the agreement for whatever types of reasons. >> Flannigan: Right. So the trade-off for them is that they no longer had to abide by maybe the wage requirements or other requirements in exchange for their tax abatement and so if we were to do the reverse, then they would also no longer have to abide by any of the agreements and benefits that they

are giving the city in exchange for those deals. I mean, I think financial markets are complicated instruments and as much as they value agility they also value stick to go the agreements that you make. So that's something that I think is important to remember. I'm not convinced that shorter term is always better. I think you can sometimes get more benefit if you sign a longer-term deal so I don't want to take longer-term deals off the table. My goal -- my fear actually moving forward is our resiliency to the national economy. This chart is a little frightening in terms of how susceptible we are to the whims of decisions made out

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of our control. And to the extent that our economic development department can insulate us against those trends, that will be the thing I'm looking at. And there are all -- and I still support all of the other, you know, wage requirements and all those things about ensuring equity and fairness for workers in Austin and communities in Austin, but if national trends go in a bad direction, I want to make sure that we're not all stuck holding the bag. So that will be the metric that I'm looking at as we move forward through this process. >> Tovo: Councilmember Houston. >> Houston: Thank you, all. You've done a great job. The one thing I just noticed today after we went through our briefing the other day is that there's no one from the education, the ISDs, on the community list of invitees so I think it's really crucial for those eight districts in the city of Austin to have a conversation about economic development because they're growing their talent and sometimes we give money to people that are growing the kids don't need. I think we need to have a real heart to heart conversation with independent school districts in the area. >> We'll definitely set meetings with those different districts. Thank you. >> Tovo: Other comments? Questions? Well, thank you, all. Thank you for waiting until the late time in which we took up this issue and thank you so much for all the hard work. On revising the program. >> Thank you. >> Tovo: As mentioned we have a couple quick items to take up in executive session. Are we ready to revisit the issue of the schedule for next week in case we lose people in the next hour? Or would you like to take

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that up after executive session? It's somewhat less awkward to do it now because then we can wrap it up, move into executive session and head to our offices but if we need more time we can take that. >> Kitchen: I'm okay with -- the only thing I would say is that I think we should have it on one day, you know, Wednesday or Thursday, in terms of taking up the police issue. And so I'm okay if we end up doing it on Wednesday as long as it's later in the afternoon. I don't know what councilmember Renteria's concerns are. For me as long as it's after 3:00, but I think he mentioned after 4:00. >> Tovo: Sounds like there still are some discussions that maybe have to happen. Should we take it up after executive session? Are we all able to come back and talk about this for a few more minutes afterward? >> Kitchen: Are people saying we need more time. Make sure councilmember Casar is here too. Let's just go into executive session. Councilmember Renteria. >> Renteria: Yeah. I don't have a problem with

you guys starting. I might just be a little late but that's fine. I can hear some of the input, have my staff give me permission -- if I miss anything that's important. >> Tovo: True. Mm-hmm. Is there any -- it doesn't sound like there's much interest in trying to do it all on Thursday. I think that sounds like a pretty common point of consensus, right? So I think then we are looking at Wednesday. It sounds as if there's agreement about having the discussion on one day and not two. >> Kitchen: Yes. >> Tovo: Councilmember Flannigan, you had expressed concerns it's been posted for Thursday and would be moving to Wednesday. A couple of people have chimed in they believe we have enough time to notify people. Are you fairly satisfied with that, with moving that conversation to Wednesday.

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>> Flannigan: I'm not satisfied but I'm not going to fight it. >> Tovo: Okay. Any other thoughts or should we just proceed along with that plan around 3:00 -- I mean, obviously we want to consult the mayor, but he's the one who initiated the discussion and I think 3:00 is one time he had thrown out for Wednesday. Councilmember pool? >> Pool: I hadn't weighed in is better for us and I like everything being on the one day. It used to be we would post on Friday and have our meetings on Thursday so we're actually providing more time than under our old rules so I think we'll be fine. >> Tovo: We are. But we're doing it on a day where we never have a council meeting so there's quite a difference between both for our schedules and for the public to have it on a day we typically don't have a council schedule. I would suggest we go with 3:00 because I'm trying to to also accommodate councilmember Houston's request that it be sometime during the day. I also think it's more efficient to try to get some of that testimony in before we break for different and, yes, while we can set our different break for various times, I think it's, you know, going to end up 5:30 or 6:00 and that way we have a couple hours of good testimony in before we break. Okay. We will not need to come back after our brief executive session. The city council will now go into executive session to take up two items pursuant to 551.071 of the government code, e3, city of dripping springs application for permit to discharge treated wastewater afternoon fluent and to -- into walnut springs tributary and onion creek and 26, authorize execution of an interlocal agreement with the Texas facilities commission for development of phase one of the 2016 Texas capitol complex master plan, items e2, four, five, six have been withdrawn. Any objections to going into executive session on the items announced? Seeing and hearing none, the council will now go into executive session.

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[02:11:05 PM]

(Mayor Pro Tem Tovo) Good afternoon I am Mayor Pro Tem Kathie Tovo and the time is 2:11 p.m. We are out of closed session. In closed session we discussed legal matters related to item: E3 and legal matters, related to item: 26 Please note we did not discuss matters related to item: 26. We discussed only real estate legal issues related to item: 26.

And so seeing no other business for the Council we stand adjourned at 2:12 p.m.

[02:12:10 PM]