

Regional Affordability Committee Meeting Transcript – 01/23/2019

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>> We have seven. Its0:04, we're meeting at city hall and I'm going to call this meeting to order. The first order of business is approval of the minutes of the November 19, 2018, so I'll entertain a motion to ap>> So moved. >> Second. >> First and second. All those in F please raise your hand. Everyone presented voted aye. The next order of business is citizens communication. I don't believe we have any people signed up, but if anyone walks in later and would like to address the committee, please let our liaison know. Just because I know people's schedules, I'm going to move to item 7 because it's -- most of our items are presentations. I'm sorry, I wanted to welcome Jim Mckay. Thank you for participating in our committee. It's a -- it really is a great opportunity to meet, you know, colleagues and other government boards and council commissions and have some I think really good conversation about affordability and how it affects our community. You are welcome to say a few words. >> I'm very excited to be here. This is something near and dear to my heart. I know some of the members of the board already and as part of this committee I'm looking forward to learning from you and identifying those best practices that we can all work together to ensure the affordability throughout this region and just take care of people. So I very much look forward to learning from y'all and happy to be here. >> I'm going to move to the item that I wanted us all to participate just in case people have to leave. So it's the -- a long agenda here.

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It's the March meeting. It kind of falls into everybody's spring break and so I would propose that we just cancel that meeting, if that's okay with everybody. Okay, I didn't think that would be a problem. The March meeting is -- we will not have the March meeting. So do we have our housing people here yet? No. So we're going to move to item 4, which is the strategic initiative, affordable and attainable housing staff presentation on Austin energy's low-income programs. Ask staff to come up. Thanks for being here. >> Thank you for having a us. My name is Debbie Beverly at Austin energy. >> [Inaudible]. >> Push your mic on. >> I'm really delighted to be here because we have a lot of news to share with you. Austin energy for over 30 years has really been a leader in trying to help the under served community. And there's probably not a month that goes by where we don't get calls from other utilities asking about our programs. So I'd like to step through a few things. Just gives you a little bit of a highlight for the most recent fiscal year. Our fiscal year ends at the end of September. If you'll look at this slide, over the last fiscal year, fiscal year 2018, we weatherized over 809 low-income homes. These are single-family homes. We distributed led light bulbs to 15,000 homes, so multiple efficient lighting. It's the simplest measure to install resulting in immediate savings for our customers. And beyond that because so many of our population lives in rental housing, not just single-family but

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predominantly multi-family, we've got over 430,000 residential customers. We weatherized 1500 affordable apartments last year with 30,000 leds, 4600 water saving devices as well as duct ceiling insulation, solar screens and other measures. Some of you might be familiar with Austin energy's green building program, been around for 25 years, the basis for the green building council and LEED building program. These are properties that are safe, multi-use, affordable, you know, and frankly scattered throughout our service territory, but in particular within some of those disadvantaged areas. They are accessible to transit, they are reasonably priced. And then beyond that, starting a couple of years ago point of sale rebates. Provide discounted savings on light bulbs to window air conditioners, refrigerators. You could go to Home Depot, Lowes and batteries plus and get discounted prices. You don't have to show evidence of being a customer, but we do locate them within our service territory to avoid spillover outside our service territory and that's been a huge benefit. That little chart in the middle shows how we spend our money. The school based education where we go out in schools, started in AISD's district about a year, year and a half to go to pilot the program, multi-family rebates are shown by the legal blue part of that -- yellow part of that part and they account for over 50% of what we're doing in the residential space. We're really focusing on the hard to reach market. That so gives you a little bit of a snapshot of the

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last year, but I thought it would be helpful to talk about what we do in more detail. I'm going to talk first about customer discounts. This is something we've done for a long time and our city council, which is our governing body, really helped us lead the way in going one step further. Years ago back in the 2010-

2012 time frame, I'm going to talk about outreach efforts because you can have the best program in the world if people don't know about it, you are not going to see uptick and talk about single-family and multi-family weatherization and touch briefly on what we're doing in the solar SP for low-income customers typically wouldn't have access on that and I know some of you are huge fans of solar and we've received great awards and are proud of that. Let's talk AUT customer discounts. So we have a charge on our bills that's embedded within the customer benefit charge called the cap charge. Within that we provide discounts to customers. We have 34,000 cap customers and they are automatically eligible and automatically enrolled for those discounts if they are on one of the eight programs shown in the left-most section of this chart. We automatically employ them, employ an outside party to ensure eligibility. Off to the right you can see those discount programs provide discounts totaling about \$15 million a year for all city utilities. Austin energy's share is about \$10 million a year. So our customers if they are a customer of Austin water, Austin energy, watershed protection services, all of those, they can get a waiver of customer charge. They don't pay a portion of that customer benefit charge that funds the cap program. They get a bottom line discount on their bill and that average discount per customer ranges from 54 to 70 dollars a month. It's fairly significant. That auto enrollment feature

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is very unique in the industry. Generally you see people having to apply for that benefit. So that's a big, big part of what we do in terms of our customer discount program. But beyond that, we provide a plus one emergency fund. Customers can contribute to this on their bills. That accounts for about \$2 million a year. If you have a temporary need, say you are ill, your family has suddenly become unemployed, you saw a note in the press recently about workers that have been furloughed or who are working but not getting paid because they work for the federal government, they can apply for assistance through the emergency fund. The cap weatherization program is budgeted at a million dollars a year. And then we have an arear age management program wherein thanks to action taken by council back in 2015, you can have a -- enter into a payment arrangement with Austin energy and pay off an unpaid balance over two years, 24 months. We allow for multiple payment arrangements at any one point in time. You just have to stay current on your bills. So all of those things are really considered industry leading. We provide case management services, medically vulnerable registries so people that have chronic illnesses who are on life support, they receive additional benefits. We maintain that registry. And just because we weatherize a house for the cap program doesn't mean we walk away from that customer. We go after several months, a year and meet again with the customer so it's ongoing education and outreach. We don't do this alone. We partner with other city departments, we partner with 60-plus partner agencies. I think a lot of you would probably be familiar with them ranging from foundation communities, good will, a number of churches, school groups to assist us with outreach. And as I said, consumer advocacy groups and other

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utilities. That provides you a little bit of a context for the program, and feel free to interrupt me if you have questions as I go along. I think councilmember kitchen -- >> Is that all right with you? >> Sure. >> You had just -- you mentioned earlier the program with the ISDs, with aid. >> Sure. >> Is that program in any of the others? >> Yes, it is now. So we initially piloted it with AISD schools and now it's rolled out, Denise you can talk about the other schools we're working with. >> Does it cover all the school districts that y'all in your service area? >> We have eight school districts in our service territory. >> Yes, and actually what they do is they could go out and talk to the different E teachers and any of the teachers that are within our service territory that are interested in participating, they can sign up the students. >> So what it consists of is a display that we take into the schools. It's a bicycle that you can pedal to light up an in can December sent blood pressure. You have to pedal really hard. Plus it consists of a kit that includes a smart power strip, led bulbs, energy saving information. So the idea there is to get to harder to reach communities through the school-aged kids and then they go into the home and talk to their parents. Down are we in all eight of the school districts right now, Denise? >> Not now, but we do continue to work with them and we have private schools as well. >> Which ones are we not in yet? >> I can't tell you off the top of my head. I can get you the information. >> And then the program, it's educational, but how does it work to help connect families to these low-income programs? >> So what it does is it includes within the kit information about our various program offerings whether it's point of sale rebates, the weatherization

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assistance program, even things like the home performance with energy star program, appliance efficiency program, so it's intended to do that. It's in English and Spanish so that we're reaching a broader population. >> Okay. Thanks. >> So that gives you a little bit of a grounding because -- I'm so sorry. >> No problem at all. Jamie Mathias. I was recently speaking with the superintendent of the del valle ISDs and she was telling how it is even the outlying districts in this area are taking advantage of your program. So thank you all for all that you are D. Councilmember kitchen anticipated my question on how it is this links to low-income families and students. Appreciate your addressing that. Do you have any concrete numbers you could share with respect to the energy efficiencies enjoyed by Austin ISDs or Round Rock or Leander or del valle ISDs? >> I can get that information. >> We do in fact and I would be happy to provide you with cut sheets on all of the ISDs. I'm happy you mentioned del valle because for the first time we have all of our ISDs. Del valle was the most recent to enroll all of their facilities in that program. And I have to say that in part we prepared those sheets so that we can talk to the legislature about what we've done. So we do have individual sheets for each school district. I'd be happy to provide those to you. >> Appreciate you all. >> Can you maybe provide that to Katy and we can put it on our website, our page? Okay. Thanks. >> That's a great question. Thank you so much. >> And one follow-up question. Within some of the outlying districts, Leander being one of them -- Jim McKay from Leander ISD. We are serviced from Austin

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energy and psc. If -- would it be portions of Leander or available to all of Leander? >> It would probably be mostly focused on the schools that we serve. The programs that we fund are funded by Austin energy customers. >> Okay. Thank you. >> Clearly there is some overlap and just as I said with the point of sale rebates, so we're flexible. Yes. >> Is it on? You said 34,000 customers or -- 34,000? >> We have 34,000 cap customers. So those are customers that are automatically enrolled in our discount program, and then they are the primary -- the first wave of customers, if you will, that feed into our weatherization program. But by no means does that represent low-income customers within our service territory. In general, I would say based on our analyses, we have over 60,000 customers that we serve that are at or below 200% of the federal poverty guidelines. So those customers, the cap customers are on one of those eight, federal, state or local assistance programs. >> Okay. Thank you. >> Sure. So let me talk about outreach. We have a great program, how do we reach customers. I mentioned the 15,000 homes that received free led bulbs this last year so we do a number of direct installation events. Starting in a couple years back we partnered with the Austin fire department. So the fire department would go out and install free home detectors and free fire alarms and carbon monoxide detectors in homes in neighborhoods. We provided them with LE Ds they could install at the same time to reach those same customers. I mentioned the point of sale discounts and we talked

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about school education and kits. In particular at payment locations. Every year a couple times we publish with our programs in the now renamed Austin utilities now. This last winter and certainly into the summer we hosted an event at the -- at food pantries and at the central Texas food bank where we put together kits. One of the areas where I think we have a lot of opportunity is to deepen our partnerships with the faith community. Because as hard as this is to say, if I approach or my staff approaches or other city departments approach customers offering to provide services, sometimes there's a weariness associated with that. We believe that advocacy with church based groups offers additional potential. Even something as simple as calling a customer and saying you are eligible to have your home weatherized, it's appears you've not had your home weatherized in the last ten years, it appears you are on one of these assistance programs, customers are wary in this day and age of scams. Yes. >> That's exactly what I was going to ask about and that is the scams. Particularly they target certain demographics, zip codes, age. And so what are you doing and do you have programs in place to guard against that? I'll give you just an example. I had a call from -- multiple times yesterday from a number I didn't know and just kept hitting the on my phone sorry I can't talk right now. Eventually I answered it and it was from a bank and I refused to give this person anything because I said I don't know if you are legit or not. Later on I did investigate on my own. And so how -- what are we doing to help these people navigate what's legitimate weatherization versus someone who is going to take their whole lifesavings? >> I've seen it with people

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showing up at folks' doors. Here's some things we don't do. We don't go door to door. And we've told our customers and we told the news media outlets we will not go door to door. Number one, we believe it's a safety risk to our customers, sadly. But number 2, there is a brand and a reputational issue that goes along with that. We have solar contractors that will go to pec customers saying you are eligible for an energy solar rebate, they are not. So we get that information out. But the one thing we have started doing this past year was instead of just calling from our 494-9400 number which scammers have the ability to mimic, we send a letter in advance of that phone call on Austin energy letterhead to the customers saying we will call you and we'll call -- we'll attempt to contact you three times. So that has helped so it's not just calling, and it is very unfortunate because we've seen scams and it's not just residential, it's commercial customers as well to do that. And then at some of the events that we host too. So going to an event, having people sit down with Austin energy staff, wearing Austin energy shirts, wearing their ids and enrolling through special outreach and event properties. Those are some of the things that we're doing. And it seems early on to be helpful. But you are absolutely right. We did install an app on my phone to kill many of those calls so I don't even get them now, sadly, but not everybody can afford to do that. >> It doesn't kill them all. >> No. And it's terrible and they are very smart. We do participate in an organization called utilities united against

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scams. And through that national organization we have the ability to share information and frankly in the last few months there was one call center located offshore that was shut down as a result of the actions that we took. So I feel proud about that. >> Thank you. >> There are two or three things I would recommend for you. One is most of you in larger churches will have benevolence committees. And in the African-American community there is a fear that someone will come over, do some repair to their house and ultimately find a way to get them out of their house. And sometimes negative things have happened to folks. So working through benevolence committees at your larger churches will help. Working in public radio, kazi is a place where you've got five morning talk shows, different folks are willing to work with you there. And then through committees of neighborhood associations as well. So that you actually have folks that are community folks that are trusted by the community to -- to do outreach with you. Because there are a lot of community members that are concerned that with everything that's happening with gentrification, everything that's happening that is negative, that even these things that were designed to be positive might be -- might create fear. >> Those are exactly the sorts of things we're starting with a special focus on the faith community. That started last summer, especially when we were experiencing extreme heat. And I think it is something that we need to double down so I agree with you completely, commissioner. Thank you. >> I've got a quick question about the power rates. So when somebody signs a contract to get power, just

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looking at the Texas -- Texas power, there's all these different options out there that, you know, some of them if you run your electricity from 9:00 A.M. -- Or 9:00 P.M. To 7:00 A.M. It's free because you are getting access. I'm looking at the kilowatts per hour. Do you educate people on that, how to sign a contract? Because some of these are front loaded, once you reach a certain level it drops down. It's like a cell phone contract. Some are so complicated. Is Austin energy like that? >> No. Austin energy is a municipally owned utility so we're a nonopt-in entity which is a way of saying we're not deregulated. We're averticly integrated utility. We are not on power to choose our rates -- >> Anybody in Austin has to get their power from -- >> That's correct. There's only a small part of our service territory that's in the very northern part and northeast part of our service territory where customers can choose. Generally they are choosing between encore and Austin energy. By and large we are not deregulated. It's only a small little fringe. Frankly what that means in the case of us, our focus is on providing safe, affordable, reliable clean energy. We don't earn a profit. We don't have shareholders. To the extent we can save customers energy, we pass those savings back along to our customers in the form of lower prices. We're different than the others. I would say the free nights and weekends comes with a buyer's warning. Nothing is really free. What that means is you pay a higher price during the off-peak hours. And sadly, just as there are entities that may be engaged in some practices -- I'm not saying those that offer that do that, you know, there are vulnerable communities, elderly population that will say that sounds like a good deal, but you sign a contract and then you can

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pay -- I mean I worked with someone whose mother lived in Houston and she was paying 20 cents a kilowatt hour for energy and it's sad. >> So back to scams, that's almost a scam in itself. Oh, here get these free nights and weekends, oh, but by the way, there's an asterisk that says you will pay 20 cents a kilowatt hour if Austin energy doesn't do that, that's great. >> That falls under the purview of the public utility commission and they are long at that. Right now the chairman is concerned about that. There are entities that will shop for you. The one best known is energy ogre. And they are the ones that, you know, offer a business -- I might have come up with a different name, but they help customers shop for energy. So they are looking at that as a potential area that could be an opportunity for people not to be educated. Because you are absolutely right. There are a lot of options for custo in those deregulated areas. So I talked about rentals, over 60% of our residential customers rent. And I'm happy to say that 40% of the single-family homes that we weatherize are rental properties. They have to get permission from their property owner or landowner. But one of the things we've done in recent years is really expand our outreach to multi-family properties. In particular those that are located on the Austin tenants council list as affordable properties. So they do the vetting, they determine whether a property is affordable. We also reach out to all of the properties that as a result of the energy conservation and disclosure ordinance that was passed in 2011ish, we reach out to those properties as well. Any of those properties that are found to be on the high energy user list so they are -- their energy use is 150% above the average for those properties, we go out and we make a special effort to go out to them, talk to them about our programs. For the multi-family properties, we began pitting a program a little over a year ago where we will pay up to 100% of the

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covered measures within those properties. I'll talk about that in a little bit. Beyond that what you see at the bottom of this is a bus placard that will appear on city buses in both English and Spanish talking about our weatherization program. We also run print and digital ads. I'm happy, commissioner, that you mentioned the public radio because we do have a pretty heavy presence on Kut and I think that's a good way of reaching customers. We specifically target certain zip codes with our digital outreach and print. We're hitting senior centers and the like. That gives you a little bit of an idea what we do to cast the net wide. Here are all the partners that we use in working on outreach to weatherization. Bosta is an organization we recently started working with, that's building and strengthening tenants in action. So those are individuals that go out and work with tenants and individual properties that might not otherwise feel comfortable going to the property manager, asking for weatherization assistance, because this is really the challenge. Whether I get 80% rebate as multi-family property owner or 100% rebate. Vacancy rates in Austin are very, very low. Rents are very high. I mean, the median rent is somewhere in the neighborhood of something like \$1,400, and you can't get a lot for \$1,400. So one of the things that we've started doing is to work more closely to reach out to those properties, and the tenants that occupy the property are the ones that pay into the funds that funds these various measures. The property owners don't pay into the fund. It's really the tenants that live in those properties that pay into the fund. We believe they need to benefit. I'm talk about multi-family in a minute. Let's talk about single-family. This is the program started over 30 years ago, as you

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asked, Dr. Comstock. They are predominantly multi-family properties or they are mobile homes. And I was recently surprised to learn that there are over 10,000 mobile homes in our service territory. So those are automatically dropped out. You see the breakdown below. So multi-fam mobile homes, anomalies in the Travis county assessor's district data base that we can't match to our customer care records. The properties that we will weatherize, you don't have to just be a discount customer. At or below 200% of the federal poverty guidelines which for a family of four is roughly \$50,000 a year give or take. We required the square footage be under 2,000 square feet. The improvement value of the home be \$250,000. And that it's a residential property and slugged mobile -- and excluding mobile homes. You don't weatherize them every year, you weatherize them every ten years. And we keep track of that within our tracking system. You can see from the pink bars blow that the properties how that 23,000 breaks out largely because of the property type but also because they are newer properties. The improvement value or square footage exceeds what we said or previously weatherized. that gets us down to 9,000 properties we try to each out to every year. 27%. Here's what my staff is working on hopefully and going to the discount steering committee that we work with closely out of customer care right now by the March spring time frame we would like to be able to increase the square footage requirement from 2,000 square feet to 2500 square feet. The median -- if you read the american-statesman this

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morning, you saw what the median sales price for homes in the Austin or Travis county, and \$250,000 won't buy you much. Even though it's just the home value. So we're looking at increasing that to \$300,000. Median sales price over the last year has been in the 360 to 370 range, if memory serves me. We're looking at increasing that gradually to see how much we can reach out to beyond that and we can always calibrate it accordingly. And mobile homes. There you have an opportunity, in my opinion, and I come from a state where we had a lot of mobile homes, Arizona. So you had a lot of people that were just there during the winter. But a mobile home community, you can go in and you can touch a number of homes in that community with very simple measures. Things such as solar screens. Just simple sealing of the property. And I think that offers the opportunity for us to get deeper to some of those homes. Surprisingly some mobile homes in our service territory participate in our power partner thermostat program. They are adjusting air conditioning unit when we call events during the summer. Look for that to happen shortly. You see extensive outreach into those communities in other parts of the company, somebody with tva called me asking about experience doing mobile homes and that's definitely something I think we should look at. So that gives you a little bit of an oversight. We also work closely with neighborhood housing and community development. So we're giving them access to the tracking system that we have on line so our contractors can go in, customers can see where a rebate stands during the course of the process. We have dramatically reduced the time for a home to be weatherized, under a month now? >> Yes. >> 28 days, I think. Once we assign a home, it's

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28 days to weatherize. Did you have a question? >> Yes, when you finish your thought. >> We need to build upon that partnership. We do get a number of referrals from neighborhood housing. Last year we received about 130 referrals, but again with those over two-thirds of those homes have been weatherized within the last ten years so they weren't eligible for weatherization. I'm happy to answer your question. >> I have a question about the future items. So what needs to happen to put the into place? >> So from our perspective, it's pretty seamless. What we do is we reach out to the discount steering committee, that's a group of vagues partners, we get their approval and just with any of the programs at Austin energy we have the ability to go in and adjust our programs quickly. What we've generally done is to run it as a pilot before we roll it out. But there is no action required on the part of council. And I would also encourage you, I'll mention at the end of the presentation, we also have monthly reports we put out so you can dig deeper into how well some of our programs are going. >> What's the time line for making these improvements? >> With the approval of discount steering committee rolling it out in March or April. I'll report on this again at the February meeting. >> Last question then. The 9,000 eligible -- the 9,084 population, what percentage are we reaching? >> We're probably getting this last couple of years we've gotten to about 800 homes. I would say it's about 10%. Those are the weatherization eligible customers. As I say, sometimes customers have refused

weatherization, which gets back to your point about using other avenues by which to reach out. Other parts landlords have said no. >> So we've gotten to about 10% of the 9,000. >>En a every year we end up

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with about 9,000 customers, as I said in the past, we've weatherized 18,000 homes over the course of our weatherization program. So, I mean, we've done a good job, but if you stop and look at it, there's some other barriers that are causing customers to say no. >> Yeah, I'd be interested in what the barriers are. Because if we're only getting to 900 out of 9,000, that's -- on the face of it seems like a low amount. >> It will be housing repairs that need to occur. So those we refer to the housing repair coalition. So a number of them need roof repairs, window replacements. It doesn't make sense to go in and make housing repairs. It can be things like the landlord refusing us to allow us to weatherize a home because, as I say, a significant portion of these are rental properties. Denise, would you like to add additional information? >> There is a percentage that the owner just declines, they are not interested for whatever reason. They also, especially if they are self-nominated, need to provide us their financial information and so a portion of them never fill out the application. Ironically several of them change their cell phones or their contact information on a consistent basis and so we do have a problem where two or three months later their contact information has changed Andre unable to reach them. As she mentioned, we work really closely with neighborhood housing and with the new bond they anticipate to be able to do even more repairs which should help us with that list of people that are waiting. So those are kind of the overall challenges. >> Can you just share the data with us that you just shared, like what personal fall into each of those categories? >> Sure, sure, we would be happy to. >> I have a question about you mentioned so right now the home has to be valued

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under 250, depending on tcad. I guess two things. If we're not -- if we're only reaching a percentage of who is eligible now, I would be concerned about making that pool even bigger if we're not even reaching those. The other thing is the median home prices greatly skewed by \$5 million, \$2 million, \$1 million. There are a lot of homes in my district that are under 250 million -- 250,000, so I would be a little concerned about -- I'd like to know more about what that requirement is being -- is being raised to because a portion of -- the lower income districts still have homes. The average in my district I think is about 220 right now. So just a concern about that. >> Point well taken. And we'll take it under advisement. It's one of the reasons we reach out to the discount steering committee. We're just looking to try to dig deeper into the eligible pool of homes. So it's a fair point. We did do research with other utilities nationwide. No other utility imposes a square footage requirement, nor do they impose the improvement value requirement. So we looked at mud, we looked at other utilities in Texas. We were the only utility that imposed all of those requirements that you see there. The primary requirement is the income level requirement and weatherization within the last ten years. >> Do they have the same, I guess, rate of people participating? Do they have more people participating? >> No, it's pretty much the

same. I mean it really is the same. And again, there are customers that we will reach out to every year and every year they decline for whatever reason.

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So that's why commissioner Travillion's comments about we need to get somebody in the home other than someone from neighborhood housing and other than someone from Austin energy. You know, housing authority of city of Austin. We need to try to utilize those advocates, develop the advocates, make sure they go through the proper training so that they can conduct some of that outreach. I will say one community that's seen great success is Vancouver, the city of Vancouver in Canada. Bc hydro has actively leveraged faith based communities, tremendous diversity to reach out to customers. >> Just real quick, maybe a way -- I would agree there's people that probably own their home now is valued like 400,000, but they are retired and on a fixed income. I wonder if there's a way to make the metric more about income as opposed to what the value of the home is. >> That's a good point. >> A couple things. First of all, my office will help put together an outreach effort, so we will volunteer to do that. >> Thank you. >> I'm interested in whether you gather information by geographic location and you get demographic information like ethnicity, income levels, any of that type? >> We don't gather income information. We're very concerned about the privacy of our customers. We use a third party that gathers information that does that -- does that information gathering for us. >> Really more interested in where. >> Census tract information we do gather. So I can look down -- zip code level is a huge area, a huge area. So it doesn't give me a lot of granular Y. We've long maintained a stance that we do not want

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to gather income information on customers. Once a customer goes through a program, every customer is asked to complete a survey. They can voluntarily disclose their income information. Probably 20 to 30% of the customers will voluntarily disclose their information. >> And the next question is how do you interact with code compliance when you have elderly community members that have code violations, how do we make the resources available to them given the fact that many of them are on -- live on fixed incomes and long-standing communities. >> That's one area where I mentioned Basta earlier where we've worked with Basta. One of the -- one of the things that we do in the multi-family program, which I'll get to in a bit, is we said you cannot be on the repeat offender's list in order to be weatherized. I mean it's sad to say this, but you can go to some properties where there are dangerous electrical conditions at that property, even weatherizing some of those properties could cause increased danger, so we said you've got to be off the repeat offender's list before we will weatherize that property and you have to demonstrate you are an affordable housing property. It's a tenuous balance there. One of the barriers to weatherizing the property is the fear they will be turned into code compliance. That is not something that we generally do, but if we go out to a property and see an unsafe condition, it is imperative that we say we cannot blow insulation into this attic because there is a combustible issue in

that attic so we can't do that. We owe that to our customers. >> So my concern is more the back side of the normal

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distribution curve. You know, when I was 50 I took care of my house really well. And now I'm 80 and probably shouldn't be climbing up on the -- >> You look wonderful for your age. [Laughter] >> Some of our elderly community that doesn't have the capacity anymore. >> Do you want to address the question, Denise? >> Very good question. So on residential homes, and that sounds like part of your discussion there, we do it a couple different ways depending on the issue. -- Depending on the issue. If it's an issue within our measures, dealing with the windows, doors, infiltration to the home, fire, smoke, carbon monoxide, then we address that as a part of the work. If it's something that deals with gas, we notify Texas gas. If it's something with water, we notify the Austin water department. And we try to work together to help that customer work through some of those different issues. >> So when we talk about a vertically integrated utility, the question becomes how do we develop a vertically integrated system of partner so when we see a problem that could be a danger we are somebody to call and it becomes a one-stop-type shop so they don't have to call 12 folks. If you tell my parents, they are in their 80s, here's a list of folks and I want you to call them and then when you call them, you can call us and -- that's not going to happen. How do we make sure that we address safety issues and those other things that would allow us to provide the services that are necessary to, you know, address peak hours from our

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perspective as well? >> I have a mother that's 87 so I'm very conscientious of this as well. On the main issues like I just mentioned, Austin water, Texas gas, neighborhood housing, public health. So on major issues that fall in those categories, we make the call and coordinate that behind the scenes. We have a list of about 30 different agencies and other resources that might be something that falls out of that. And maybe, you know, maybe you have something minor that you need to be addressed and here are the different opportunities with that. But anything major we try to become that seamless utility. That's why we're working really hard with neighborhood housing to have them put their leads directly into our system because our long-term vision really is to assign it then to people in Austin water, to public health, all these partners that we have already, we can automatically email them and then track through reports who's handling it, what the time frame has been and make sure that that customer is handled. So that's really our vision of what we're trying to get to. >> And the reason that I said that is if we are working through church benevolence committees, then you've got somebody -- somebody in the church that you found through the church, maybe the church can participate by acting as a project-type manager or at least a case-type manager to help them get to the places that they need to get. Because if there are multiple problems, now you're asking me who I don't trust everything already and now I've got to call three or four people that I don't know. So that there's a little more consistency and it becomes a system rather than a transaction. >> And that is a huge focus. Last year we were talking

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actually with the director of code, and part of it was reaching out to saint John's and some of the other major churches and it really enlightened us on opportunities. I have a person on my staff that at a minimum three days a week is out in food pantries or out with the churches to develop those relationships. It's not an overnight thing, but that has been a huge focus and we're bringing more and more people in that may not be a cap customer but may fall into the under 200%. We actually go out with our computer system and gave her the information and she types it in right there at the churches or food pantries or wherever the outreach event is. That really has quickened the pace as Debra said, we reduce the amount of days to get service to people. >> I want to time check. >> I'll finish up in five minutes. >> Three if possible. >> I'm going to go back one slide. This is the multi-family program. And you'll have copies of all of this. We have both our standard rebate program and gives you an idea what the eligibility is. We budgeted a million two for the current fiscal year for this program as well as our low-income proof of concept program where we pay up to 100% of the measure costs. They have to be combined with the ecad ordinance, can't be on the repeat offenders list. The low-income program within the past two years has received two awards from nationally recognized organizations. The aceee organization, the alliance for American consumers for energy efficiency is a resource, and the public utility fortnight award. Future things we're looking

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to do, we're consolidating eligibility sources. Pulling from six lists, primarily Austin tenants council, but working the Texas energy poverty research institute to create a consolidated list. So you ask questions about demographics. >> I have a question. On the multi-family, you made mention of this before, but how does this translate to a benefitor the actual rental -- renter family? >> They see energy savings which saves them money on their bills. Every time one of the rebates that comes through for council approval because it's above the threshold of \$60,000, you'll see what we anticipate the savings will be for the customer because they received these measures. They use less energy, their bill goes down. >> These are places where they are paying the bill directly? >> Yes. >> As opposed to to all bills paid -- >> Metered property. >> I'd like more statistics about that. >> Sure. Happy to do so. Most of the properties in our service territory are not master metered, so very small number of them are master metered. I think it's in single digits, actually. So you asked questions about demographics so I'm going to roll through this, maybe not that quick. The multi-family -- the low-income weatherization program, single-family weatherization program shown here by the size of the dots -- going too fast -- generally this is going to track along the I-35 corridor. That's where you see most of the low-income customers. This is the low-income multi-family weatherization. It's doing it all by itself. I don't know how this is happening. And smart housing from green building. Outreach events, this is where we did our summer savings programs plus we had another 190 or so events. Retail partnerships, and those 61-plus locations. Again

you can see concentration north and south. Lastly the low-income customer support through all of these programs is shown here on this map. So happy to provide this to you so you can get greater

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detail on this. But you get a sense as to where all of these efforts tend to be concentrated and they are in those areas that are predominantly low-to-moderate income customers. I will close by saying increasingly and I believe one of you mentioned this before, we're seeing customers that move to the outer edges of our service territory because of affordability issues. So we're seeing that heat map start to stretch farther north and farther south, and certainly farther to the east. So that gives you an overview of where those programs are. As I said, almost 19,000 homes weatherized over the last 30 years. 96,000 apartment units for both low and low-moderate customers. We can't just do it through weatherization. We supplement are other events. We have 220 cap customers that are participating in the community solar program. Three communities in the shared solar pilot, that's another 177 customers. We can't do it alone. I look forward to working with your office and expanding our outreach into the faith based community. If you want more detailed information on this, I've given a link to our website that has both the monthly reports as well as quarterly reports that provide text information by council district as well as council program so you can get an overview of this. We leave it up for the last three years so you get a sense of what we've done every quarter over the last three years. >> Very quickly, you mentioned the involuntary displacement to the eastern crescent, and certainly central health it's something we are cognizant of and in fact we're standing up several new clinics in eastern Travis county. But what I wanted to know are you in touch with anyone at central health? Because we have significant demographic data on the

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entirety of Travis county and according to our Zones. And, of course, the condition of the home can be a significant factor in health, right, and so -- if you -- >> That's an excellent suggestion. We work with the Austin public health department, but that's an excellent suggestion. >> My suggestion would be to contact Monica Crowley at central health. She's in charge of strategic planning. >> Great. Thank you >> Thank you so much for that. I appreciate that. >> Really quick comment. I had this done to my house. I live in Round Rock and they offered a program 10 years ago. It's very obtrusive to this this weather sizing. They pull everything out of the cabinets and spray the foam around the gaskets. So I would see how people are reluctant to have a stranger in my house and pull the occur tans back and all the furniture. I don't know if you could have a video online that shows how to do that. >> We actually do have a video posted online, but it's only been fairly recently. So again, another great suggestion. >> Thank you so much. >> Thank you. >> And also if we can get that presentation posted on the rec. I'm going to go ahead and call cap metro up next because they always have to go last, but they've said they can make it really quick. And it's just an update. This is a standing item on our agenda because, you know, improving our public transit is so important for our community to fight our congestion issues. So

I've asked cap metro to come every meeting and give us an update on project connect. >> And you're a board member, can you have them do that. [Laughter]. >> Total coincidence that you have three capetro board members here. >> If the board members would like to do this, they've seen it. [Laughter]. Goodorning, thank you. I'm Dave couch. I'm a program officer for project connect with cap

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metro. What I'd like to start with is project connect and we've got a short video that many of you have seen that they can go ahead and play. >> And the question we all face, how are we going to get there? It's estimated the Austin ear's population will double by 2040. That type of quick growth brings with it a variety of challenges. And how we connect from one part of our region to another is one of them. A big one actually. Because a rapidly increasing population means an overwhelming increase in the number of vehicles on the road. And our current transportation infrastructure can't keep up. So maybe we need to think less about moving cars and find more innovative ways to move people. That's the insight behind project connect, a transportation solution that will improve our ability to move today and be prepared for tomorrow. Project connect calls for high capacity transit with more park and rides, and regional and neighborhood-based hubs that make connecting and traveling easy. From up north in Round Rock and east to manor, to oak hill in the south and west to Leander. Project connect marble falls that this -- imagines that that N robust transit is. We need to think bold, differently for tomorrow. Consider autonomous rapid transit. Electric vehicles that move fast, increase our transit capacity and operate in dedicated pathways, all of which ease traffic congestion for car commuters as well. Our rolling hills, nature and neighborhoods make this area the amazing place it is. It also means we don't have the space touild more roads as we had before. So if we're truly going to protect our future quality

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of life, project connect is wait forward, whether we drive, use transit, bike, walk or scoot. We're one of the world's great cities, being transformed by the power of ideas. Ideas that come from all of us, with your input, passion and energy. Project connect's vision will turn into the community's plan. So let's make a success story together. The time to connect is now. >> What we have used and what we continue to use is a five-step process as a timeline for project connect progression. We have worked our way through step number three and really the main portion of the update is the step that was taken in December when the metro board went ahead and approved continued work on the long-term vision. Leading up to that there were a series of joint work seions between city council and the metro board, which columnated in December with that review approval. We then had the adoption of that map and we're now in the process of going forward with the advertisement and selection of the environmental and pe consultants for both the Orange line and also for the blue line. We'll move beyond that into brt light and also the green line over the next few months. By way of background, on left shows that this is truly a regional program. It gives you that outreach in the . Areas that would be commuter into the central core of the city. Everything from the north in Georgetown down to the southern end of the city.

And then you take the long-term plan, which really focuses on the inner workings and more in the center of the city and that's the map on the right-hand side. With the core trunk the Orange line running north-south.

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And the blue line running east-west over to the airport. There's a series of brt lines that go in that provide seven or eight other alternatives that would be non-dedicated pathways, but the key for the two main lines is the utilization of dedicated pathways. In looking to the future to go ahead and provide that capability as an aspirational goal to take some of the brt light lanes and make them full brt. One piece there's there and I started with brt and I should have said that it's going to be a process that could either be brt or lrt. That's the process we're going to go through over the next year is to go ahead and determine exactly what that mode should be. And exactly when alignment things should follow, but those will be the two principal ones for the Orange and also the blue line. >> Kitchen: You can keep going. >> In the central core of the city there are three different pieces. One is the way that the long-term vision is shown, which is a connection -- solid connection between the blue and the Orange line, between the downtown station and the republic square station. On the right is another alternative. And in that alternative it would also connect the two commuter rail lines, the red line, which is the existing line that goes up to the northwest, and the potential for the green line that goes up to the northeast. The other alternative that's there is to go ahead and create a center line, basically the gold line, that would run from crestview up to ACC highland. That would give you that true inner lining and that capability within the core of the system to be able to have that third choice and that ability to go ahead and get from one end to the other. As we go forward and we look to what the next steps are in looking at preliminary engineering and determination of the path

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forward undernepa, there are a series of items and considerations that we have to take into account. One is the potential for utilization of the first street bridge. That will depend upon what the alignments are and what the chosen mode is. Also the potential for putting a new bridge or tunnel under the lake or over the lake to bring the blue line in to the core of the city next to the convention center. The one I've previously described on the earlier set of alternatives would be able to go ahead and bring the two commuter lines across from the downtown station into republic square. That would give you the combination of the three lines at a multilevel station that would provide that connection. The piece that's there for department of transportation is one at the northern and southern end of the Orange line where that is txdot right-of-way. University of Texas is a challenge in the drag for the immediacy of the university. And then as we go forward we also have to start to look at what the bus and rail maintenance facilities would be, depending upon the chosen mode. And then the coordination of real estate that would be required either at the airport or over at the convention center and in other locations up and down the alignments. Next steps, continued extensive community and stakeholder

engagement. Looking for input on the alternatives that are there right now. More community input, more suggestions as we move forward in the process. At the end of this month we'll be opening a downtown project office over on congress, 607 congress. That will give the opportunity for anyone to come in, get information about the project, go ahead -- the staff will be there to answer questions. That gives us that piece and that gives us that open and public process to go ahead and be there. Selection of alignment on each corridor goes with the Nepa process.

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And then the analysis of what the process is, the 'lil, rapid transit or the new technology of autonomous. Or it could be a combination of light rail, brt with autonomous as part of that system. So they aren't exclusive. They could be something that could include autonomous on both light rail and also on brt. Building and unifying the community and the support is what comes as we move forward looking to a November of 2020 vote. Getting in place the local funding and use of federal funding. And then establishment of a timeline for the construction buildout that would follow after we go ahead and go through the process and have in place the vote and also the local and federal funding. An acquisition of whichever type of vehicle is ultimately selected, whether that's lrt, whether it's brt or whether it's autonomous or a combination thereafter. -- Thereof. So that is the briefing that I have in terms of progress to this point. I'd bed to answer any questions. >> Kitchen: I'll let others -- I have a few comments, but do others have questions first? You go first. >> I just have a quick question. You it said tunnel -- (echo) (Echo). Is it just so much limestone in central Texas it's not always -- we think of big cities, New York and, of course, Elon Musk. That's the first time safe seen it. I've heard of cable cars going across the river. >> The potential that's there along with the potential for a second river pros crossing is that it could be a bridge. It could also be a tunnel. Whether it's the time stone locally or in other areas of country. I did extensive work in Washington, D.C. Where there were some areas that were soft ground tunnel, other areas that were rock and some mixed in between. So there is the potential to successfully do a tunnel.

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>> Kitchen: Just one or two comments. I wanted to emphasize since we're sitting here with our affordability hat on, you know, I think we're all well aware of the connection between access to transportation and the ability to afford to live. Within our respective regions. So I think that's a really important connection for us to keep thinking of and helping people understand that. You know, I mean, access to housing and transportation is a key one we always talk about, but it's also access to jobs and health care and all those things. The other thing I would say is there's quite a bit more detail that I'm sure any of us would be happy to talk with any of you in more detail if you would like to drill down. And then finally this is really an all hands on deck for our community. We need to get this right, you know, in terms of something that the community can support. We are most likely working towards a November 2020 election with a vote of the public. And regardless this has to be something that works for the entire

community and so we all need to weigh in. When you talk about community and stakeholder engagement, now's the time over the next, you know, 2019 and 2020 for people to weigh in with questions and comments and all of you have constituents that you talk to, what you're hearing from your constituents. We need to know as we're shaping this. So I just wanted to urge that. Also just also for

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informational purposes for our next step is our city council later in the spring will be voting on our Austin strategic mobility plan, that's a high level strategic plan, the connection to cap metro is simply how we designate the potential for our roads in the future. There's much more that could be said, but I'm not going to go into all that. I just really want to -- to especially for size the critical nature for this community and we need all your participation. >> As we look toward November 2020 I would welcome even the briefest of briefs from cap metro staff on the impact of this plan for Austin ISD's single member district 2 which is mostly east Austin say from seventh street, although it goes up to east memorial high school, international high school, down to south of William cannon. So if there's someone who can offer five to 10 minutes of update, I would welcome how I can impact the residents of that part of the city. >> We'd be glad to do that with whatever your schedule is. >> Appreciate it. >> And likewise I would like the same or similar regarding the eastern crescent. Certainly we are focusing more and more attention on the issue of health and wellness and health care and access to health care and transportation or lack thereafter being an impediment to that. >> Okay. >> Garza: Speaking of trustee Mathias, one of the big things that we can accomplish, and cap metro has talked about the completion of south pleasant valley as part of this bond measure and how that could be a great connectivity for east Austin. So that's one thing that, you know, that I think you could be a great advocate for in pushing for the completion of south pleasant

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valley. And I just wanted to piggyback off of councilmember kitchen's comments in that, you know, one thing when I'm out in the community having these discussions about the need to improve our public transit, many people ask, well, I'll never ride the bus or how is this going to help me or I don't really see routes that come to my part of town. I really want to emphasize that -- the video does a good joint of pointing that out. There's such a community need. If you don't see yourself actually ever using that public transit, it will greatly benefit the vulnerable people in our community, the minority population in our community. I think it's so important that we continue to be a diverse community. I think that helps everybody. It makes us all a better community. And so it's just a good investment whether you believe you will actually ever step foot on one of these modes, but I believe that everybody will. I've said when you go to other cities that have good public transit you see, you know, some low -- possibly a low income family sitting next to a businessman, and that's what we want. It's also a good way to unite our community. I tried to ride -- I try to ride the bus as often as possible and I think it's important for us to

see, you know, all the different members of our community, especially those that can't afford to have a vehicle. >> If I could. We've had this discussion before about living patterns and how public policy has impacted where people live in the community. So it's going to be important to 93 we as we conduct outreach that we go to communities where people are, that we go to churches, that we go to schools and work with ptas, that we go to community organizations,

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that we work with central health and entities that are focusing on how we get people to the doctor. Because there's always the discussion of frequency versus coverage. And I don't think we N frequency or coverage, we need frequency and coverage. So the question becomes which churches are we reaching out that that would participate in van pools with us? How do we work with central health and 211 and the lift project to ensure that we are identifying people that soon will be outside the definition of carts and need a way to get to and from the doctor or to and from the hospital? I think that through getting our community members to health care facilities, we can begin to address some of the coverage issues that we have how we get you to the doctor, how we get you to the pharmacy, maybe even how we get you to the grocery store. So I have been pleased that the cap metro has been open to expanding its outreach process and reaching across the community. I just want to make sure that we asset map all of the different entities that are doing things, that are transit related, and figure out how we ultimately achieve economies of scale and address the coverage issue while we are addressing the frequency issue. >> If I could, one of the things that will be coming to the cap metro board in the month of February is the expanded public involvement program, which will include all of those different constituent groups that you just mentioned. It's something that we're completing the development of right now. So that will be what I referred to as the exponential of what we've had previously for community engagement. And that's something that

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we're going through a process internally and it will be presented next month to the board. >> Garza: Anybody else? All right. Thank you for that. We'll see you in a couple of months. I believe Mandy demightio is here from nhdc to give us -- this was one of our previous meetings, there were questions about our -- I believe this is it, and if I'm wrong correct me, there were questions about the density bonus programs and just a general overview of how our affordable housing -- the city's affordable housing programs work. And I know there will be changes I think to smart. There are still changes coming with that, but just a general overview of the incentive programs that the city can offer. And while we're on this topic, you know, I'm often asked about what the city can do to control rents and ma housing and, you know, one thing I do at my town halls, which I will have one tomorrow at the del valle opportunity center if anyone wants to attend, is people often ask why can't the city control rent basically. And people are -- and I understand. I didn't know a lot about city policy and state regulations until I became a councilmember, bits because it's against the law. The state law prohibits us from rent

control. But where we can control rent is in the affordable housing projects that the city is a part of. And so I'll hand it over to you. >> Great. Mandy de mayo, the community development administrator for neighborhood housing and community development. As mayor pro tem Delia Garza just mentioned, I was here in I think it was November and I was talking about the general obligation bonds if I'm not mistaken kind of our launch for the 2018 go bonds

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and that morphed around a conversation about other conversations about affordability, about density bonuses, and so I appreciate the opportunity to come back and talk about our development incentive programs or our density bonus programs. I want to get started. I know we're a little tight on time, so I want to just go through a little bit about what we're going to talk about in the presentation, including our strategic housing blueprint, our development incentive program overview, our lessons learned and then our ongoing initiatives, which will -- we will talk about some updates to some of our programs like smart housing. So first, the strategic housing blueprint, some of you all may know that is our guiding document, which was adopted by city council in 2017. That document highlights all of our community needs related to affordability and affordable housing. And I should say I was really pleased to follow on the heels of Austin energy and cap metro because these were all so related and really tied together to our strategic housing blueprint. The blueprint sets our community production and preservation goals for a variety of things, household income, our geographic dispersion of affordable housing, access to transit and also providing affordable housing in high opportunity areas. And then it identifies specific strategies that will help us meet those numerical goals. The implementation plan, while is slide says currently under development, we have wrapped up the implementation plan and all of the feedback that we received and we'll be going to city council's housing and planning committee on February 12th and we will be unveiling the implementation of the plan, which we're very excited about. With respect to the blueprint goals, what is most important, these are our goals over the next 10 years for housing, including market rate housing, as was mentioned in one of the previous -- I think it was the cap metro presentation, we're anticipated to double

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in size, the met on throw area by 20 fort. Where are we going to put those people? And we are looking at low and moderate income folks, will the folks have access to transit, access to jobs and access to affordable housing within our community. We have a goal over 10 years of 60,000 below market units, cation or preservation of those. It's an ambition goal. You will see in the donut up on the slide, the break down by median family income level, that was determined based on current housing patterns, production and need. And again, this was adopted by city council in 2017. The blueprint is all organized around our identified community values. We have five of them. They're up there on the screen, but I will just point to three of them in particular that are -- that the density bonus or development incentive programs really tie closely with. One is our commitment to fostering equitable, integrated and diverse

communities. I think that's an incredibly important value that we all share and our incentive programs is one way to get to that value. The fourth one down is creating new and affordable housing choices for all austinites in all parts of town. And then the final one which of course our conversations around utilities today and transportation as well is helping austinites reduce their household costs. And all of the strategies and actions in the strategic housing blueprint plan fit into one of those key values values. This is really hard to see, but this is our 60,000 unit goal and how we're going to get there by strategy. You'll notice at the very bottom are kind of our federal housing dollars. This is how much -- it's blue Santa bar at the very bottom. -- It's blue Santa the blue bar at the

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very bottom. It will show how we're getting to the 60,000 goal. We also have affordable housing bonds. That's at the bottom, a pretty small slice, the 2013. We have additional housing bonds up there, again a pretty narrow bar. And then our current development incentive programs are only anticipated to contribute a small portion to the larger goal of those district thousand. About 2500 units over the next 10 years. All of this points to the fact that in order achieve our 60,000 unit goal we're going to need to deploy multiple strategies and creative strategies, some of which take advantage of market conditions, some of which take advantage of direct subsidy. Quick overview of development incentive 101, the development incentives work in one of two ways. This is what we have seen here locally. They either provide additional relief to our traditional non-profit mission driven affordable housing developers, or they promote participation by for-profit developers. We incentivize those for-profit developers to come into these various programs with a variety of different incentives. We calibrate it so they're getting a little bit more than they're giving and in exchange we're getting the income restricted affordable housing. With respect to the mission driven non-profits, they're already doing affordable housing and we want to make their job as easy as possible. So these are two different ways that we really facilitate that. It's important to note as mayor pro tem Garza mentioned, that these are voluntary incentives and they're an important tool and I emphasize the voluntary because under state law we have to ensure that we are in the requiring affordability in any of these programs. It's voluntary participation, so thus calibration is important. Yes. >> So my question is given the fact that they're voluntary, what kind of outcome measures do we have?

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Meaning if I promise so that I get incentives that I would like, what incentives am I -- what did I actually get at the end of the project? If I said I was going to give five percent, then did we get five percent or did they say I don't have to? >> So we do have provisions in certain cases, we have had both non-profits -- for-profit developers that have accessed and we'll talk about the smart housing program, which includes fee waivers specifically, where they have at the end of the project not delivered the units and had to give back. So there's claw back provisions, had to give back the value of those fee waivers. With respect to all of our density bonus or developer incentive programs, we have a compliance and monitoring

division that is charged with the long-term monitoring of that income restricted affordable housing. I'm going to talk more about our monitoring program toward the end of the presentation. >> Okay. So I guess -- so we do have the outcomes of our -- so you have a compliance group. Is this something that says these are the number -- this is the number of projects that we have and this is the number of affordable spaces that we have because of the incentives that we've provided? >> Yes. And we'll talk about numbers. We'll go through each one of the programs and we'll talk about looking back over the last five years, what our production has been. >> I just wanted to add F context, because sometimes these for-profit developers, they've added that in without really asking for any like density bonus. So I know we've seen zoning cases where they didn't really have to add it in, but they did because they're being good partners. And so, you know, it's a zoning case change and it's some kind that allows them

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to do something that -- that zoning category would have already allowed them to do, but they in working with and talking to councilmembers and they'll ask for meetings with councilmembers and say what's important to you? And we'll talk about what's important to us. So sometimes it's added in there - I hate the way this sounds -- out of the goodness of their heart. [Laughter]. >> Icing O the cake. And we've seen a lot of those. >> Garza: And if they don't do it, they don't it, unfortunately, but they didn't really get anything in return. So those are some of the scenarios that happen too sometimes. >> Sure, absolutely. I want to go over just generally, kind of divide our incentive programs into three different buckets. The first is the smart housing program, which really is a fee waiver program that incentivizes housing that is safe, mixed income, accessible, reasonably priced and transit oriented. And then we also have some green building -- really minimal green building requirements, but the acronym -- thus the acronym smart. The density bonuses and planned unit development and a density bonus really I where we're giving a private developer a little bit more. It may be a little bit more height, it may be more F.A.R., floor to area ratio, site area ratio, reduced parking. We're giving in additional entitlements in exchange for typically on-site affordability. Sometimes they can opt out of that on-site affordability. We'll talk about that with the fee-in-lieu. And then we have master development agreements, which really are negotiated agreements for larger -- typically larger developments that provide a whole package of incentives to developers in exchange for developing projects that meet certain community needs. And we're going to use -- I'll have an example of the Mueller -- the Mueller program in a minute. Smart housing. It was established in 2000. And it serves households at

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or below 80% median family income. It right now has a short affordability period. For ownership it is just upon first sale. You have to agree to sell to somebody at or below 80% median family income. And for rental it's only a five-year affordability period. This is important because this is something that we are trying to update and calibrate in the coming years. It also provides expedited permitting for folks who participate in the smart housing program. Right now the fee waivers that we provide are not sufficient

to incentivize participation from for-profit developers. When the program began in the early 2000s, we actually had a lot of for-profit developers, kind of production builders who participated in the program, and one of the reasons was that the fee waivers were pretty robust. Since that time a whole host of additional fees have been added to-- through development services and those are not included in smart housing. And thus the fees really haven't kept up with the times over the last 18 plus years. And so we're not seeing for-profit developers participating on their own. It's not enough to incentivize participation. It is almost always coupled with additional public funding or other incentives. The picture you see here is a perfect example. It's bluebonnet studios, which is 107 unit supportive housing development created by foundation communities. It's in district 5 off of south Lamar. A high opportunity area. We have got -- is it the 803 or 801 high frequency transit. It's 803, I think, running up and down south Lamar. We provided additional funding for this development. It is funded through the general obligation bond program, about \$3.7 million in order to close the gap. It's a tax credit project so multiple sources of funding.

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And again, provides housing for some folks exiting homelessness, but permanent supportive housing for single adults. You will see here the production snapshot for smart housing. This shows a five-year look back, just to give you an idea of how many units we have produced over the last five years. Again, virtually, nearly all of those units are mission driven not-for-profit affordable housing developers who have participated in the smart housing program and they get a little bit of a break on fees. We were funded in this current fiscal year for a -- it's a joint position with development services. And our department to kind of be the point person, it's not expedited producing, but it really is a single point of contact within development services to shepherd these smart housing projects through. We're really excited about that position and we're hoping to put that out to get the right person shortly. Density bonus programs. We have a whole alphabet soup of density bonus programs that have been created over the last 10 to 15 years. We have 13, right now 13 separate policies. The first policy was adopted in 2004. The programs are -- each has its unique flavor. They're targeted generally to specific geographic areas. They are -- have different income restrictions, they may have different affordability periods. In general we have aligned all of them I think at the last meeting, commissioner Shea mentioned something about Rainey street, which in 2014 we did correct the Rainey street density bonus program so that it was in line with our other density bonus programs to require 40 years of affordability for rental housing and 99 for ownership. That is all secured with allura, a land use restriction agreement, that runs with the land, so

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regardless of who owns the property that conveys with the property, that income restriction. The example up here is the Corazon, which is in district 3. And just to give you an idea of the market rate of the Corazon is currently 10,006 dollars a month for a 550 square foot studio. We have 36 units at the Corazon that are required to be rented at folks at or below 60% median family income. That rent is \$903

a month. That is not deeply affordable rent, I want to be clear. This is the 60% rent is what the market would bear when we calibrate these programs. We want to ensure that developers participate in them. So we have to carefully calibrate so that we are giving sufficient incentives to secure that affordability. It is below market, it is for 40 years. The rental -- and it's considering the location, it is significantly below market. It's in the plaza saltillo tod. Key take appears from any of the density bonus programs is these are only used in active submarkets. So the value of the density bonus program is it kind of follows the market, where we think the market is hot and developers want to develop, which ideally will be along our imagine Austin centers and corridors. We try to tack on some affordability by providing some extra incentives so that we can secure that affordability within an existing market rate property. It helps us achieve some of our core values that we talked about with the blueprint, which is really mixed income, mixed use communities, diverse, integrated communities throughout the city. The other important takeaway, which I talk about whenever I talk about any density bonus programs is that there is no direct

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subsidy, so this is not costing the taxpayers any direct dollars. We're simply giving additional, like I said, reduced parking, additional height, additional floor to area ratio, in exchange for the income restricted properties. Unlike smart housing where we're generally subsidizing the properties, there's no direct impact to the taxpayers. You will see the five-year look back, the production snapshot, nearly a thousand units over that time period. And again, no direct cost to taxpayers. As I mentioned before, generally our preference is to require on-site affordability. We do have provisions in some of our density bonus programs for a fee-in-lieu of providing that on-site, and to date we've collected nearly three million dollars in that fee-in-lieu, which then goes into our housing trust fund, which then gets invested into deeply affordable housing. The third -- no, this is the second, is puds, planned unit developments. And this is where a project -- I'm sure you're all familiar with puds. The project must demonstrate some sort of superiority in order to tap into a density bonus program. The affordability requirements vary by development. And the final requirements are ultimately decided by our city council. It's a highly politicized process. Many of you all have been through this process. The example we use here is the grove because it one of our more current puds. And the grove is going to ultimately -- right now we believe produce more than 1,000 rental and nearly 600 ownership units at full buildout. And the development began in 2018 so it's currently all of the horizontal infrastructure is under construction. We have -- because of the pud agreement, we have 1031

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rent -- 131 rental congruence secured at or above median 60 percent median family income and others at 80% median family income. We have other units put into the community land trust and that is for households earning at or below median family income. I know there were a lot of conversations with Austin ISD about housing for teachers and staff at this site. And we -- we'll have ongoing conversations and outreach with Austin ISD to ensure that they're part of the marketing and provided they meet the

income requirements, part of the marketing for the affordability program. The first affordable ownership units, which would be condominium units, are set to be completed, the construction, by the end of this year. It is a high opportunity area. It's near an imagine Austin corridor. Parse and again, you will see -- and again, you will see the 20-year projection. This is looking forward for our puds and that's about 2600 units where we'll at or below 60% or 80% median family income. The final kind of bucket we talked about is the master development agreements. And those are kind of one-off agreements with private developers on specific parcels of land. It's been used really successfully for redevelopment. The example we give is probably our best known example, which is the mueller/mueller -- Mueller -- never Mueller. Miller, Mueller, redevelopment. Our old airport, 700 acres. Catellus is the master developer for that property. It's about 80% built out at this point, a combination mixed use, mixed income. The affordability requirement for Mueller is 25% affordability. Redevelopment began in 2004. It includes office space, retail. It will include at full buildout 4600 residential

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units. And Moren 25% of the completed rental and ownership units are affordable. Right now we have 581 rental units from 30 to 80% mfi and 394 ownership units at or below 80% median family income. It's important to note that with this particular example we used multiple tools to achieve the affordability. Those include tif financing, smart housing fee waivers, gap financing and also tax credit financing. We have currently two tax credit developments. One is wildflower terrace, which is 201 senior units. And then we have Aldridge 51, which is a workforce housing development, mixed income primarily at or below 60% median family income. We also have housing for folks exiting homelessness in that property. And that's 240 units. So those are both complete and completely leased up. Under construction we have the Jordan, which is a family property being developed by foundation communities. So our affordability, that's within our current market rate developments, is enhanced by really affordability in our properties, our low income tax credit properties. Multiple lessons learned, I'm not going to go through every one of these, but I'll highlight a few. >> Kitchen: Could I ask a quick question. Could you send me the data about Mueller? You said it, but -- >> I'll send -- you all have the presentation. I think it's all on there, but I'll make sure to get that broken out. >> Kitchen: The numbers aren't in here specifically. >> That's because they're in my notes, my secret notes. I'll get you those. >> That would be go for everyone to have. >> Great. In terms of lessons learned, we know this from experience, in addition to all of the academic research, multiple layers of incentives work best. If we want the affordability, sometimes it takes subsidies, sometimes it takes incentives, sometimes it takes all of

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it. Incentives work well to ledge the for-profit market and create affordability and mixed income, high opportunity communities. Like I said with our development incentive programs we're really following the market, the developers are saying this area is hot, ideally it aligns with our imagine Austin centers and corridors and we're trying to figure out how can we provide some incentives to secure that

affordability for the long-term, a portion of the affordability. Another crucial lesson learned is that monitoring staff capacity has to be sufficient to evidence the ongoing compliance. We have got to. Ensure the public trust is honored and that we have a good handle on our -- all of our affordable housing units, both subsidized and incentivized. And I can talk about that a little bit. And that we are out there actively monitoring all of these properties so that we know that when the developer promised something in the beginning of a project he or she is following through on that commitment for the length of the affordability term. And it's -- affordability terms by design are long, 40 years. So we need to be prepared to monitor these not just today, but for the length of the affordability year -- term, whether it's 40 years for rental or 99 for ownership. Additional lessons learned is that it's crucial for us to be able to easily update these policies to respond to market changes. We often codify density bonus programs, many of these are from the early 2000s and they haven't kept up with the market realities. Whether it's that we haven't been able to calibrate our fee-in-lieu without going through a lengthy process or calibrate various provisions of these density bonus programs. And as a result we're missing out on affordable units because developers aren't take advantage of these programs. And that ties to the last piece, which is community benefits should be

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calibrated. It has -- there has to be some sort of equivalency. The private development market has to see the advantage, which is generally a financial or time advantage if it's expedited review we're promising, but it really boils down to the dollars, if they're going to provide on-site income restricted housing, which necessarily S that they're getting less operating income because as we showed from the Corazon example we're talking about delta between a 1600 dollar a month to a 900-dollar a month, that adds up. And so what are we as a community providing in exchange for those community benefits? In terms of ongoing initiatives, I mentioned the blueprint implementation, we'll be launching that, kind of a soft launch with the housing and planning committee, city council's housing and planning committee, February 12th. All councilmembers are invited. We expect a pretty large turnout. It will be an extended meeting because we sure have a lot to talk about. The second piece is the land development code revision. Arse a lot of our density bonuses were set to be aligned, harmonized through the codenext process, our rewrite of the land development code, which as you all know was put on hold indefinitely last summer. We are looking forward to hope in this year relooking at the land development code and our city manager is leading that process. Smart housing overhaul. We have been talking about that for a really long timesmart housing overhaul, we've been talking about it for a long time. Smart housing was to be overhauled as part of the code next process. All of the initiative one way or the other updating the density bonus smart housing land development code. We anticipate launching it at some point in 2019.

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So stay tuned. We've had success in our density programs but we can do better, do more. And so we hope we can work toward that through the coming land development code revisions and overhaul of

our programs and policies. You can find all sorts of information on these websites, and the last one I will say the development incentive and agreement. It's actually -- it's a link that it's a spreadsheet which you need a magnifying glass to read but if you're on the computer, you can blow it up. It gives all of the development incentives, when it was launched, it links to the ordinance that created it and then it gives the afford about provisions, like I said, each development incentive program has its unique flavor and also the affordability link, the term, the number of units that have been created so it's a helpful resource. >> Just one quick question. Given the fact that we've got, what, seven colleges and universities in the area, have we thought about or designed anything that -- that would help students actually live in the city and be close to the schools that they are attending? When I was at UT, it was relatively inexpensive. And for kids now, I feel sorry for the kids and their parents. Are we designing anything to address student housing needs? >> So, one of our more successful density bonus programs is the uno program, the university neighborhood overlay, which is west campus. And that was launched in mid 2000s. And prior to that, west campus was primarily low density. And students were living in various areas of town and being bussed into UT. After the uno program was launched, which gave developers additional entitlements,

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significantly, additional height in exchange for on site affordability, you can see if you look at west campus, what happened. We have a ton of high-rises and quite a bit of income restricted affordable housing there. The program provides for affordable housing for students at or below 60% median family income. And the affordability is evidenced by their fafsa, the free federal assistance for free student aid - I should know, I just filled it out for my son. I can't remember what the actual acronym is, but provided the student himself or herself has the designation that they are, in fact, eligible for student aid, then that qualifies them as eligible for affordable housing within the uno area. We have right now more than 1,000 units, income restricted units in west campus. We also, as a result, there is a provision with uno for fee in lieu, for -- it's required on site affordable housing if you go this tall. If you go this tall, you have the option to do fee in lieu. We have collected \$2 million plus over the lifetime of the uno program which we have then -- we have a separate designated account for our uno funds. We have two active cooperatives who have tapped into those funds to provide affordable housing. We have one cooperative development that is currently under construction that recently tapped into about \$1 million of those funds. So, all of that to say, we have explored affordable student housing around university of Texas, but as you mentioned, we have more colleges and universities in the area. And I was at a panel discussion, an afford about discussion and have the opportunity to hear the

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president of Houston Tilson, Dr. Pierce talk about the challenges that her students are facing rapidly gentrifying area around the Huston Tilson campus and talking about how far out everybody needs to live because they offer very little housing, dormitories. And the challenge that that is presenting to have an

engaged student body. To either bus or drive fairly far away. Afterschool or afterclass activities are meeting with professors. I am interested in looking at how we can build on some of the success we've seen around uno and whether or not that could be replicable in other parts of the town. >> In precinct one, love to help you then. >> Okay, great. Thanks. >> So they say the only question is the one that doesn't get asked. But I may be challenging that with this question. In terms of incentivizing for-profit builders, do you currently do any type of recognition programs or positive press for these folks that serve the -- the need for social responsibility and therefore that is some of their -- some of their accolades that they can leverage down the road for other projects? >> That's a great question. And the short answer is no. And the longer answer is we should. >> Okay. >> Yeah. It's a good question. >> Yeah. >> Good point. >> Anybody else have any -- >> No. I do think that's an excellent point because what's known in the lingo is csr or corporate social responsibility. It's becoming more and more important in companies of all sizes with investors, with consumers, and with their own employees.

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>> I appreciate your presentation, Jamie methias from Austin ISD, two quick questions, ones you mentioned fees in lieu. I remember when I served on the planning commission, represented the district on the planning commission, that I was very surprised by how relatively low it seemed fees in lieu were at that time. I'm not sure if I could have affordable housing on site rather than pay the city to develop affordable housing somewhere else. The development of Riverside was where I was seeing the -- what I believed at that time were low fees in lieu. Any update on the change in fees in lieu during recent years? >> So, the fee in lieu issue, as I mentioned, our staff preference and certainly what we have heard from recent city councils is the preference to always have on site affordability. So several of our programs don't have an option to do a fee in lieu. Vertical mixed uses as an example. There is no fee in lieu option. If you opt into it, you're providing 10% of your units as affordable, whether it's own or rent. We've seen success. 400 -- probably at this point more than 400 vertical mixed use units. One of the things that I mentioned was I thought that it was important to have a program that is easily adjustable. But it's also important that the fee in lieu often seems really low and it's set not by us as a council, but we have a third party economist who looks at kind of the give and get and tries to set the fee at a level that is reasonable to ensure participation. One of the things we want to do through the code next process was align all of our fee in lieu

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policies, make it more difficult to do, fee in lieu, and if we did do fee in lieu, to really set it in a way that would discourage developers to take advantage of fee in lieu. So we anticipate all of that will be looked at -- will be looked at again in this coming year as we look at whatever land development code the city manager is bringing forward for discussion with the community. >> I'd appreciate it. I'd welcome the briefest of updates outside of this meeting on discussions that have been held between aid and the city of Austin on the the use of aid properties for affordable housing, that is, in light of our decreased

enrollment, some -- we've lost some 6,500 students largely to the lack of affordability in Austin. Families are moving outside of Austin where they can get more home for the money to Dell valley, manor, pflugerville ISD. What possibilities exist. It was in the news recently that the Austin ISD, that there was a suggestion that the district would need to close -- consolidate some 12 schools. If that were the case, is it possible to create a win for those communities by developing affordable housing and I would enjoy the city's perspective on what it would take for us to do that. >> My understanding is that there is a resolution coming up on next week's agenda that is encouraging further discussion between aid and the city of Austin, we welcome that. We've been in multiple conversations in our department, multiple conversations with the folks at aid. In the last of the 2013 housing bonds, we used the housing bonds to purchase two of the surplus properties that you put out for bid. One of them is on Doris lane, it's right next to burnet middle school in district 7. We are currently in the

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predevelopment phase with design and development. We're really excited about it and one of our commitments is to ensure that the housing that we create, now this is an itty bitty partial. We're hoping to be able to squeeze eight units on. Hopefully it will be a mix of rental and ownership, but we really want to work with the next door school to see about housing needs for families and teachers and staff and how we can accommodate that. Again, it's eight units, a small parcel. We used 2013 bonds to purchase Tannehill lane in district one. That's in eight acres. So a lot more possibility for afford about, for affordable housing in that area. And we are currently in predevelopment in that. And anticipate that will be putting that property out to bid hopefully this fiscal year to create more affordable housing opportunities. So, we welcome the ongoing conversation. We want more affordable housing in key areas that include in areas that are rapidly gentrifying which is impacting aid schools negatively. >> Thank you, appreciate that. Looking forward to creating a win, win, win situation for the students and for the city. >> We can do it. >> Appreciate you. >> Any questions? Thank you. So much. >> Thanks. >> The only other item was the was about our bond program. And we don't have -- we don't have the time. So I just ask for that last slide to be put up. I mainly -- we asked for the presentation to understand the prioritization of the large bond package that austinites recently passed and I guess the most imt part would be that the city is working on the prioritization the bond task force that made many of the

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recommendations that were -- that became the items on the ballot focused on equity issues and making sure we're equitably distributing any new funding to parts of the city that need it the most. And so I -- I - the -- most of the presentation is simply what the different bonds were and what the allocation for each one. But I thought this ohe most relevant. And it's just that staff is working to develop the implementation that aligns with the council resolution and it seems that the first appropriation will be in late February. And so my office is very interested in the health and human services facility that was approved for southeast Austin, obviously, and I'll keep asking those questions about wn -- what the

prioritization is for. For the -- for that bond Monday. Just to let -- for future bond -- future agenda items, please, reach out to my office if many of these presentations were the city of Austin. But, you know, we welcome presentations from Leander ISD about things they're doing to address affordability and how we can all learn from each other. If anyone else has -- I thought about the -- the cap metro thing you were able to do to match the federal dollars. Maybe that could be a good presentation we could have.

>> We could -- >> And any aid and Leander -- not Leander, roundrock, right? Please let me know? Please let my office know. Since the March meeting was cancelled. The next one will be in may. I may be out of town. So my vice chair may have to take the reins, but my office will be in touch to prepare you and get the agenda worked out. Do you have anything, Katie? >> Just you all should have received an e-mail from me with backup presentation slides from today, a reminder about it being cancelled and a reminder that may 22, I believe, is the next regularly scheduled meeting. And, again, if you have agenda items to get with us.

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>> If any of you need parking validated, Katie can help you with that. Thank you all for being here. We are adjourned at 11:59.