

City Council Special Called Meeting Transcript – 07/16/2020

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[10:02:57 AM]

>> Mayor Adler: Today is Thursday, July 16, 2020. It is 10:02. This is the city council special called meeting. We're doing this remotely. We have two items on the agenda. The first is a briefing concerning the development of property located at 11600 through 12337 Howard green road. This is the potential site of Tesla automobile manufacturing plant. When we're done with that briefing we're going to go into executive session to discuss the budget and tax rate adoption and also the 2020 election. We're going to begin with the briefing is everybody is ready to do that. >> Kitchen: I have a quick question. >> Mayor Adler: Yep. >> Kitchen: Do we know -- do we have any plans around timing for a break?

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For lunch? Just so we can plan. >> Mayor Adler: I anticipate that we may be done before lunch, but if not we'll just break in executive session at noonish. >> Kitchen: Okay, thank you. All right. With that said, we'll welcome back to Austin, it's good to have you with us. Manager, do you want to start? >> Thank you, mayor, council, I'm going to pass it directly to assistant city manager Rodney Gonzalez who will manage the briefing for the city council today. >> Thank you, manager, Rodney Gonzalez, assistant city manager. As you mentioned, mayor, today's briefing is the developing of property for the Tesla manufacturing plant. Today we have representatives of Tesla who will provide a project overview and project timing. With us today is the global

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director of Tesla business development and Valerie [indiscernible]. We also have Tesla's local representative Richard Suttle who is a local attorney from Armbrust and Brown. Following the briefing we have staff from the planning commission and -- planning and zoning and development services department to give briefing on the zoning and permitting for the site and the city's shared regulatory authority with the county because of the location in the etj. With that, I'll turn it over to Rojan Patel. >> Thank you very much, Rodney. I appreciate you guys taking some time. We'll be very brief and would love to open it up for questions if time allows.

[10:06:00 AM]

A couple of things, and I'd like to share my screen, but unfortunately I think my screen sharing is disabled. But we can do without the screen share if that's okay. But if somebody on the AV team can enable my share content that would be awesome. Let me get going. So my name is Rohan Patel. I lead our public policy and retail services team at Tesla, which includes the site selection for our next North American gigafactory. I'm joined by Valedictorian Workman and she leads our entire people experience at Tesla and that includes recruiting, includes diversity, inclusion, community relations, workforce development, intern programs. A lot of the things that I think you may have some questions about, but a lot of the things that I think are going to be one of the -- one of the most exciting parts about

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locating, frankly anywhere, but I think specifically in Austin. A little bit of background on me, I spent 10 years working for the previous president in the administration. Mostly focused on climate change and energy issues, but for a brief time I was also the president's liaison with local governments. So I have a deep appreciation for the work that y'all do and especially in these kinds of tough times. So thank you for your public service. And I don't know that Mayor Pro Tem is on, but congratulations on your win last night. Our mission is to accelerate the world's transition to sustainable energy. It's not working, but it's

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okay. We'll do without the screen share. Our mission is to accelerate the world's transition to sustainable energy and transport. And this is a really personal mission for me. Thank you for whoever is doing that. I appreciate it. My wife is a lung doctor who is currently treating COVID patients. Her research focus is actually on the impact of pollution on vulnerable communities. And my older daughter has been in and out of emergency rooms with lung issues, so this mission, it drives me. I think it drives every

major decision at Tesla and I think Valerie would agree with me on that. A little bit of history, back in 2006 -- back in 2006 we put together a secret master plan and the plan was so secret that we published on the website, four basic things, create a low volume sports car, the roadster, use that money to develop a

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medium volume car at a slightly lower price, the model S and model X and use that money to develop an even more affordable car and that's our model 3 and model Y. And our mission is to keep driving the price down so more and more people can start driving electric and be more sustainable. The last part was solar generation S the reason I want to give you this is the next factory is incredibly important to fulfilling our mission and further developing that mission. And it's critical -- next slide. It's critical for us to be able to serve the eastern part of the country, of the U.S., with our mass market vehicles. In addition to being the central location for the entire country for our cyber truck, which is sort of our version of the pickup truck. And hopefully that's a very popular vehicle down in Texas. Next slide?

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Over the last five months my team has been hearing from every state, every governor east of the rocky mountains, we've heard from state and local governments like yourself to better understand the communities, better understand the attributes, really to understand where we really need to be and where we want to be and where we can be a partner. That's really most important. And over the last couple of months I'd say I've personally just been overwhelmed with the enthusiasm. So whether it's houston-tillotson, Dr. Burnet over there. What a wonderful lady and leader. You guys obviously have a gem in that institution. The world -- the entire world knows about UT and its engineering expertise, some of our best engineers are actually from UT. Austin community college, the number of conversations we've had there have just been phenomenal. And everything to reentry

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programs as well. We spoke to judge Biscoe on reentry programs and we want to be a partner there as well. Valerie will talk about that. I think the thing that's inspired me the most is the community discussions, neighborhood discussions. A bit of a chip on their shoulder, and I love that. I think Tesla has a little bit of that ourselves. Trying to break through in a very competitive industry. And I feel like those interactions we've had have just been -- I guess it's shined a light for me on parts of Austin that you don't really hear about and how might be able to actually be helpful. And provide support and utility to the del valle school district and eastern Austin. So that-- their participation in this process has just been

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fantastic. So why this site? And why has this site risen to the top of our search? I want to underline we haven't made any decisions, no announcements, but we do have a number of sites both inside of Texas and outside of Texas that we're still considering. So the reasons for this site: Number one, the factory will need a very diverse workforce. And two-thirds of that workforce will need to be entry level. So those are production associates mainly and material handlers. And that kind of work requires a high school degree and a willingness to learn and Val will get into that. We also need the best engineers and scientists in the world. We want to be able to attract the best. And I think Austin has the combo of those two things that maybe many other communities we've spoken to don't necessarily have in spades like you guys do.

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Number one, that's been a big, big component of our decision-making process. Number two, and I think this is the part -- I'm an enviro myself. And the fact that this site that we're looking at in the del valle school district and we said Austin, is it's an old sand and gravel mining site. It's along the Colorado river. It has great potential I think for recreation and beauty, but right now had it's got mining pits, it has no recreational opportunities. What it's got is abandoned buildings and old chemical bins. So I think the vision for us of being able to transform this old mining site that's in disrepair into a sustainable factory with recreational opportunity for the public is something that really fits with our mission and is really frankly just cool for me and a lot of folks that work at Tesla. I think it's been very

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attractive part of this particular site. And then lastly, I think the partnership with the local community is - especially with del valle, would be very advantageous, for the students and even more importantly for the entire community. And the effort that I think we really want to make to mentor, to develop the next generation of workforce both for us and for others I think is really inspiring. So the del valle school district's continuing technical education director testified the other day and on so did the director of curriculum the other night. I guess to sum up their comments, they said it would be a game changer to have something like this happen in their area. So as I wrap up and pass it over to Val I would like to provide some more information about Tesla as regards our manufacturing agreements and our safety regard.

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I guess -- our safety record. I guess there's been a small number of voices out there that are saying things that are either incorrect, maybe they don't have all the information, but those questions have been raised and you don't have to take my word for it on these items. In gigafactory, Nevada, you don't have to say Rohan is telling me. You can go to the state of Nevada's website and look at their audited financial records, audited reports of our job creation. This five billion dollar capital investment is actually an old number. We're actually well above that. 13,000 jobs on-site, 15,000 construction jobs it took over the course of the project. We've literally exceeded, as the governor said, both Republican and democratic governors have said we've exceeded expectations in literally every category, both local hiring, safety and everything else that you could imagine in between. And that's true -- the next

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slide is also true in California, the plant that we had before out there, that we bought was during the recession. Good morning and Toyota had to unfortunately abandon the factory. We came in and spent three billion dollars plus modernizing this factory. It's a decades' old factory so it had a lot of things that needed repair, a lot of things needed to be done to bring it frankly up to code. And we've done a lot of -- a lot of those investments, 10,000 plus jobs in Fremont, the ancillary benefits in terms of the supply chain and the like have been significant as you can see on this chart. And then -- and of course on this it's the same thing. We've gone to the Colorado website. We've provided this data and numbers to the state of California on a very regular basis. The last thing that has come up is on our safety record

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and this is something, frankly, I'm quite proud of. The next slide gives you an indication of that. This is the Buffalo slide, but the next slide, the -- happy to give you a lot of data on this. And our ehs team would be happy to do this as well. Not coming from a defensive place at all, but instead to try to give you a sense of the improvements that we've made and the fact that we're just -- we're better than the industry average and we want to be the best in the industry, not just better than the industry average. If you look at that previous factory that we showed in Fremont, that factory, from 2008 when we took over to today, it's 50% better than what was happening at that factory on total recordable injury rates and a number of other -- a number of other indicators, safety

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indicators, with a plant that was run by GM versus a plant being run by Tesla today. So I'm really proud of the efforts that we've made. We've actually won awards from the North American die casting

association, latter facilities in California is doing incredible work. Let me stop there and I'm happy to take any questions related to safety or our previous agreements or any other policies that we work on, climate, energy or the like. Before we turn it over for questions I want to introduce Val workman who exemplifies the Tesla spirit. Without any further words from me, Val? Val, you there? I can see here, but maybe

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these she's on mute. >> Her microphone [indiscernible]. >> Someone just let me in. Awesome. Thank you. Hey, everyone, can you hear me? All right. So I'm Valerie workman and I am the vice-president of people at Tesla. And I am so thrilled to be here to talk to everybody today. I do have slides to go through as well and I don't know if we necessarily need that, but I just want to tell you a bit about who I am, what I do and really tell you the real story about Tesla as opposed to the things that you hear in the media that are completion untrue, but that's the life of Tesla. So I'm responsible for leading all the people functions at Tesla and that includes human resources, recruiting, comp and benefits. I'm also responsible for security, workplace facilities, workplace and

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inclusion, community relations. Essentially anything that has to do with people, that's me. I've BP here for two and a half years and I love everything that we do on our mission. I want to tell you more about safety before I go into exactly what we. The truth about safety at Tesla is from January of 2020 when probably 99% of the U.S. Companies had no idea what covid-19 was we had created a covid-19 task force. And it was comprised of myself, Laurie Shelby who is the head of environmental health and safety, head of security was part of the team, also a physician, our in-house physician. And we started our measures back in January having had the benefit of understanding what was going on in Shanghai because we have, as you know, a factory in

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Shanghai. And from then we have been implementing protocols to keep our employees safe and that included starting where everybody started, with the hand sanitizing measures and the multiple cleanings of janitorial services. And as the weeks progressed, we started implementing the quarantine protocols from employees coming back from other countries. We implemented the first -- probably the first in the country covid-19 sick benefits full pay for those who were diagnosed with covid-19. So we have been way ahead of the curve and it's kind of unfortunate that the media has not captured that, but that's part of Tesla, to today where we have a back to work play back for all employees. You cannot get into a

facility of Tesla's without having a temperature check, without having instructed by security to sanitize your hands, without having a mask on. And we continually poll our

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employees by our polling app to say how are we doing? Are we missing anything? And the overwhelming number of our employees agree that we are doing everything we should be doing to keep them safe. There have been inaccurate reports in the media, a draft and modeling owe modeling statements that have nothing to do with real data have been leaked, but the truth is as of right now no one at Tesla has become -- anyone who has had covid has either returned back to work or they're home recovering. That's the bottom line. And we would put that statistic against any company anywhere and we are thrilled that everybody is doing well. So I'll be happy to answer more questions about that, but that is the truth about safety at Tesla. Let's talk about some of the more cooler aspects that we do and I don't know if we can put up the benefits slide. There's been a lot of question about what do we

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provide for our employees and I think people will be pretty surprised when you see actually what we do. Number one, everyone has the opportunity to become a shareholder at Tesla, every employee. That's production associates on the line who make the vehicles all the way up to the people that you see on screen right now. We are so proud of that. We have five medical plans. And two or three of those have no payroll deduction. We have dental, vision, this is for every employee, short-term, long-term disability, dependent care acts. We have paid maternity leave. We also have a 130-dollar commuter allowance for individuals who may need to get to a shuttle or who may be taking the train who needed that support in helping to afford that, but that is separate from our

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100% free shuttle service to our factory. So the if you live in the outer areas, like Fremont, for example, you can live in Oakland or Tracy or Stockton, severely underrepresented communities, we send the shuttle out to you, bring you to the factory and then take you back to your home location. And we do that based on the shift schedule so people don't have to worry about missing their shifts. We control the shuttle, we set the schedule, so we can get everybody to and from work. We're thrilled about that and happy to share with you the benefits at Tesla. Next slide, please. So there was some question on several other of the presentations we had made. There are individuals who thought we were talking about a van or some sort of modest carpooling. This is what shuttle services at Tesla. They are air conditioned, they are extremely comfortable and what's also

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really -- we're also really proud of the fact that before you even get on the shuttle -- so your temperature is taken before you get on the shuttle. You're required to wear a mask before you get on the shuttle. So before you get to the factory we're taking care of the health and safety, but it's a very comfortable, cool ride and very we're proud of that. Next slide, please. So I want to talk about diversity and inclusion and the culture that we are continuing to establish at Tesla. As I said, I lead the diversity and inclusion team. So proud of that. And we have employee resource groups. And these are groups at Tesla who have gotten together, have shared common experiences, shared common goals and we want to make sure that their constituents feel that they have a seat at the table at Tesla and have the same career advancement opportunities as everybody else. Right now we have six that we're really proud of. We have black at Tesla and I am the former executive sponsor at black at Tesla. I had to step down when I

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got promoted. We have intersectionality at Tesla. Asperger group that doesn't really want a table, groups that don't want to ascribe to a certain label, but feel there's a component of career development and advancement that happen they all share. We have Latinos at Tesla, lbgtq at Tesla. Women at Tesla. And when I say these groups are active at Tesla, they're extremely active. We have labor meetings, we hear from the teams. They play a large role in our diversity 2020 plan, which we just published a couple of days ago [indiscernible]. We would love to share that we incorporate into the plan. But the diversity inclusion at Tesla, happy to answer any questions on that. Next slide. So another of the many questions we are getting is what do we do about entry

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level prospects and how do we ensure that there is advancement opportunities for everyone? And we have a workforce development team, this is the entire lead by Chris Riley, many in Austin have had the opportunity to meet him. He is spec tack caw lower and he leads the workforce development team and we have several objectives. The key objective is to make sure we have a pipeline of talent all the way from elementary school through middle school through high school so when high school students graduate and they may choose for whatever reason not to go to community college or not to go to college, there's a pipeline of talent coming right into Tesla to be a production associate. I think I need to explain that many people think we call our employees factory workers. We call them production associates. These are people who actually build the vehicles. And we have a great pipeline. We work in

elementary schools, we work in middle schools. We have stem programs. Many people are encouraged and excited about stem

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programs, all with an eye towards reminding them of how cool it is to come work at Tesla and when you graduate high school we have a place for you. Next slide. So just to show you how the workforce breaks down and how we do our hiring, and [indiscernible] is a great example. A lot of questions about where are the jobs available and where they go and are they locals? Number one, over 90% of the [indiscernible] are in Nevada a lot of claims about we weren't successful in Nevada. That's 100% not true and the facts are what they are. So in Nevada, 53% of our employees are production associates, 10% are materials handlers, 18% technicians, 12% engineering and administration and 12% leadership. That gives awe snapshot of

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what a typical gigafactory looks like. We have jobs from entry level, high school, all the way to ph.d and what is cool about us compared to all the other tech companies, you don't need a ph.d to excel at Tesla. You just need a high school diploma, a willingness to work hard. We promote -- I think 63% of our promotions in the last year were production associates. So you can go far at Tesla and you don't have to have a ph.d or master's degree or bachelor's degree to do it, although we certainly support those who want to continue their education, but I want to make that really clear as well. Next slide. So just to give you a little bit of a snapshot, everything from high school and collegiate pipeline, we have a phenomenal stems program. We create robotics teams in schools. One of our champion robotics teams from high school is

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now employed at Tesla. We have k-12 [indiscernible] Partnerships in Nevada that we're extremely proud of. And again, our success and our integration with the community, it just speaks for itself. I'm happy to answer questions, but I'm excited about what we've done and the prospects and opportunities with del valle are so exciting to us because we can replicate everything we've done in Nevada specific to del valle. And if this all goes through, we could not be more excited to be working directly with the school district there. Next slide. So we support of course -- like I said earlier, the high school diploma and a willingness to work and we can't wait for you to become a production associate. But we also have partnerships for continuing education so that we can help our employees who are also students to get their community college degree or their university or their four-year degree.

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And we have special programs that we partnered with colleges and universities, we train individuals to become our service team members. They get instruction in school. They learn how to service our vehicles. And as you know, learning to service a Tesla vehicle is a stem job, not just a manufacturing job because of the science and technology that goes into our vehicles. Right now we have 80 graduates who graduated from that program who are now hired into our service locations. And we have signing days. You know, when d1 athletes graduate they get celebrated at high schools and they have a big fanfare. Not everyone is going to be a d1 athlete. And the great thing about Tesla is when we have our signing days and we have the hats and the caps and the parents and guardians are there, all to celebrate the success of their students who are going on to work at what I think, we all think is the coolest company on the planet. We celebrate those achievements too and we

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love, love that. The t-shirt, the hat, the fanfare, the welcome to Tesla, we don't have to be a d1 athlete to have a great future to we love that we do that. Next slide. And again just the pipeline, it's critical. And some of the comments that we don't need high school students, just from a pure business perspective, this is where the future is coming from in manufacturing. We need this pipeline. This is a business imperative. Whether you think it's altruistic or mercenary and we care about the future so we think it's a great future for high school students, we need this pipeline, so trust me when I tell you that the second when we decide where we're going to be and the deal is alleginged, we're going bite -- and the deal is inked, we're going into

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high schools because that's where the pipeline is coming from. The promotions, 63% of our promotions come from production associates. They move to supervisor, manager. You can be a high school graduate and 10 years later you can be running a factory at Tesla. We are so proud that that's the type of opportunity we offer to everyone who joins a company. So -- and of course we encourage you to continue your education, get college degrees, college degrees, that's all very important, but high school is a great pipeline for us. Next slide. >> So some of the things that we also do, we have information sessions. It's important for us to have teachers in the community know about the opportunities at Tesla. So we have great information sessions where we educate teachers on the careers that are available to their students. That's a great recruiting tool for us. So we give information sessions on careers and

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mobility and the types of roles and -- some of the terminology is different. [Indiscernible] What is a productions associate, what is a materials handler. They can look at the career responsibilities at Tesla. Also so proud of our gigafactory. So many things I've seen in the media about a Tesla factory. We have 40,000 visitors a year coming to Fremont. It is the coolest experience. You get to ride a tram, you get to actually see the vehicles being made. It is -- they're our crowning jewel. For people to say that somehow it is not a safe place to be or comfortable place to be, come visit a factory. It is an unforgettable experience and it is a coveted invitation. We're so thrilled about the visits and it's a way that we can educate people about what we do at Tesla. I talked about the signing days and that's a cool picture there. One of my favorite things that we do, celebrate the

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fact that you graduate from high school and you go on to a career with possibly the best -- what is the best company I think on the planet. These are pictures of the graduates and the partnerships. But what I love about us is we don't have to make up or pretend or cobble together something to tell a community, look, this is what we can do if you decide to work with us. Other companies have to do that. They have to make up programs and listen to the community and figure out what they're going to do. We already have all this in place. And of course, we need to customize what we do for Austin, should we choose this location, but we don't have to make anything up. This is who we are, what we do and we are incredibly proud. I am happy to answer any questions about our benefits, our high school pipeline, the diversity inclusion, anything, but as you can see, we love what we do, we love where we work, and the possibilities of a

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location like this in the Austin area for what we can do for the community is what really gets us all excited because we care about transforming the plant net and and this is a great way to transform the community. Hopefully this continues to move forward. I'm happy to answer any questions. >> Mayor Adler: Staff, colleagues, anybody have any questions. >> Casar: Mayor, I would rather have the presentation from staff next so that we can not ask some questions that might be answered from staff. >> Mayor Adler: Sounds good. Do you want to talk about the site? >> All right, mayor, hi, it's Jerry rusthoven from the planning and zoning department. If we could pull the slide show up that would be great. I'm joined today by Andy linseisen from the development services development and we're going to talk about the site development regulations on the property as well as the

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permit review process. The first is that it's an old concrete site, which is one of the most undesirable operations that you can imagine. We have an existing application on this property, which is the Austin green pud. The city council approved that pud on first reading in March of this year. The property is located in the city's etj and under state law and city code pud is the one zoning category that we are able to apply outside of the city's city limits, we can actually use the pud tool in the etj. What we anticipate happening here has not happened yet, is that Tesla would file an amended application, the staff would need some time to review that. There would probably be some procedural issues that we would have to go through to deal with the change from

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the existing application to what Tesla might file. Upon review of that we would bring it back to accountant for final approval. I don't have a date for that yet because we have not had a chance to receive this submittal from Tesla and for the staff to review it. The staff's review includes Chris Harrington, the city's environmental officer, he's been cued in on these conversations along with Andy from dsd and myself. One thing I would like to point out is that although we can do a pud in the etj, it would probably also be possible for them to do the gigafactory without doing a pud and just have the property in the etj. The difference is that they would probably have to go seek environmental variances. Next slide, please. As far as review goes, in the spirit of house bill 1445, also known as the single office, the city of Austin will work

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collaboratively with Travis county on a review process for this site to ensure a thorough and expediant review. Consistent with our authority in the etj, the city's review would focus upon water quality controls and environmental review. And again I would like to point out that there are existing mining operations occurring out there. There are current valid mining permits and a part of a mining permit is an obligation to do reclamation to fix the damage done by the gravel operation. So they would be allowed under the existing mining permits to go out and begin that reclamation work which would be the first step in preparing the site for future development. That can occur today without any additional permission from the city or the county, but we do anticipate that they will probably be coming in possibly with an amended pud application for the property. And with that, Andy and I are available for any questions.

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>> Mayor Adler: Mayor pro tem Garza. >> Garza: Did you say something? >> Mayor Adler: First I asked if there were any other presentations. Seeing none, then mayor pro tem Garza, I rise you. >> Garza: Okay. I had a question about the -- Jerry, you said that if they don't do a pud they would -- [bell ringing]. It would require environmental variances. What are those variances that would be required? >> Mayor pro tem, we do not know yet because they have not filed an amended application with us. A good clue of what variances those would be if they filed the amended pud application, it would identify whatever modifications they would need to do the pud, which is another way of saying the

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word variance. So whatever they submit is the pud and want modified, that would be the things that they would have to seek variances for this they do the pud. We do not yet know. I imagine that almost all that will probably focus on the environmental. >> Garza: Can you give examples? I understand not knowing, but like what possible variances those could be. >> A lot of it has to do with basically restoring the site from -- although they have the reclamation permits, because the site was mined, there are big holes in the ground, there are big piles of things, so things like cut and fill and things like that. There's also variance issues revolving around the fact that the state mod fight the drainage variance when they put the toll road in the middle of it so they will probably be some rerouting of the water vis-a-vis the toll road. >> Garza: And lastly, can

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you put that last slide up. I had a question on that slide. Where it says consistent with the authority of the etj we will review for permanent and temporary water quality and environmental standards. Can you tell me what that means? >> Sure. The city has no authority in the etj and certain authority that we lack. We lack land use controls, for example -- we lack land use controls, also known as zoning. But we do have regulatory authority over environmental issues. So even if they came in and did the pud or frankly even without the pud, the city's review authority on this would have to do with water quality and environmental. Travis county would deal with issues such as the actual building permits, traffic, those types of issues. >> Garza: All right. Those are all my questions

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for staff. For our staff. I'll pass it on if other people have questions for our staff. >> Flannigan: I think I read your lips, mayor. >> Mayor Adler: Councilmember Flannigan. >> Flannigan: Thank you, mayor. I'm not quite sure what we're doing here today. It was a very lovely presentation by the Tesla folks, but I don't feel like any of that information is related to what we are going to be asked to deliberate apparently in the future because there are no details being provided to us today about what -- what

actions the council is going to be asked, what actions the city is going to be asked to take. And I -- so I'm not quite sure, city manager, what your intention was by setting this briefing up because my cochlear implant here is that we end up with -- my concern here is that we end up with members

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of the public conflating decisions by Travis county with decisions that the council may be making. We are not being asked to make a tax abatement because this property is not in the city's taxing authority. So I've already seen articles that start with -- to members of the media that are watching, I've already seen articles start with the sentence "Austin grants tax abatement" and the third sentence says Travis county. This is the type of confusion that I'm already seeing happen in the community. I would really prefer that we stay focused on the issues that are up to the council and it's unfortunate that we don't have any details to talk about today because that's what I would have loved to talk about. And for the members of the public that have feelings about this deal, please direct your comments to the commissioners' court. >> Mayor Adler: Okay. Councilmember alter. >> Alter: I have a question for Jerry, I think.

[10:46:13 AM]

I wanted to better understand if an environmental analysis has already been done on this site. I understand that it's a mining use right now and that has implications. But I'm wondering what kind of environmental analysis has been done and are we aware of any critical environmental features that exist or water quality impacts of building in this site? >> Obviously, that would be Chris Harrington, the environmental officer, but I will say we've done a very thorough environmental review for the Austin green application and so we're very familiar with the site. And the physical characteristics of the site. What's to be determined is what would Tesla be asking to do with the existing physical conditions that we're not aware of. We haven't got that from Tesla yet. We have done extensive environmental testing of the property and we are aware of what's out there and the

[10:47:16 AM]

area. But we don't know what Tesla is asking to make or what modifications they're asking for versus the existing applicant. >> Alter: Can we have copies of that analysis? I don't know if Chris is on the line? >> What I could do is provide you with the staff report from the first reading from the green pud. That would be a different application from what we have here, but it would give you an idea of what we're looking at. >> Alter: I want to make sure that we're suggesting any environmental issues, that we understand any implications of any building that happens there. And then I also want to echo what

councilmember Flannigan has said. We don't have a lot of details today about what are decision is and the really sort of separate decisions. I look forward to having more details and I hope that

[10:48:18 AM]

Tesla approaches this project in line with their corporate values and in line with things that the city of Austin, Travis county care about so that this can be mutually beneficial for all of us and have that potential. Thank you. >> Mayor Adler: Councilmember pool and councilmember kitchen. >> Pool: Thanks so much and thanks for the folks from Tesla being here today. A couple of questions for staff -- no, first I want to ask a question of Tesla and that has to do with the site is on the Colorado river and I know that you recognize the concerns about any of the toxic materials that might be involved and the manufacturing of cars. Just an affirmation of that. At this point I would be looking to you for assuring

[10:49:18 AM]

that the water quality of anything that's produced at the factory and will not degrade the quality of the groundwater and the river. I can't tell if somebody is talking back. >> So I can speak to that. I can speak to that first question very quickly, which is just we haven't picked a site. We don't have design plans. We have not done any engineering to know every detail. What I can tell you, though, is we have other factories in the world and we've put out pretty detailed information in an impact report that deals with those questions, both in terms of water quality, in terms of recycling both the products and anything that's coming out of the factory. So we are -- we're not just committed to it. We want to show you what we've done previously so you have a sense of I'm not just going to give you some

[10:50:18 AM]

commitment here that's empty, but take a look at what we've done elsewhere. And I'm happy to provide that to your manager, manager cronk, to make sure that you have a sense of what we've done elsewhere. >> Pool: That's great. What is -- just generally, how many square feet would the building be if you were to site it here? I know the one in Nevada looked pretty big. >> Yeah. It's going to be many millions of square feet. I don't know exactly. But it will be many millions square feet. It's going to be one of the larger factories in the world. >> Pool: Okay. So maybe on-site treatment of the water and any of the -- whatever is [indiscernible] On the site and so forth would certainly be a part of the consideration and included in your -- in your building plans. I see it.

[10:51:19 AM]

I'll continue to focus on the water quality environmental protections. As this moves forward I recognize that we are limited in what we can ask and so forth. And it does occur to me that at some point if this is in the etj that there would be an attempt to -- the city may find it beneficial to city operations and the community as a whole to annex this particular -- I guess I guess it's a couple thousand acres. Richard, maybe you have some thoughts on that. >> It's just over a couple thousand acres, that's right. >> So I'll just leave that out there as a possible item for further discussion and consideration for the annexation. Thank you so much for the presentation. >> Mayor Adler: Councilmember kitchen. >> Kitchen: Thank you.

[10:52:22 AM]

Jerry, I have some questions related to the pud process and timing. So if I'm understanding the presentation, the -- there is no application yet to amend that pud so is my understanding of what has to happen is that pud has to either be amended or it goes away? Are we talking specifically that the Tesla land is 100% of that pud or is there potential for us to see some division there? So help me understand -- the reason I want to understand that is because as you've said we've already approved on first reading the green pud. So I want to understand what has to happen with that particular item. And when you're speaking to that, what is the timing? Is that timing suspended or

[10:53:23 AM]

is there a time frame that we should be looking at a determination on whether the tub is going to be amended or there's going to be a request for variance? >> Sure, councilmember. The existing Austin green pud was approved on first reading like I said back in March. The code states that you have -- the applicant has 360 days -- I don't know why it's not 365. 360 days from the date of first reading approval to come back for second and third. So the clock started ticking in March, the 360 day clock. We generally do not request applicants to come back for second and third. Its their request of the city. So it's kind of up to them when they want to come back. Now there are of course things that we want to do between first and second reading, obviously prepare an ordinance, answer questions that you raised at first reading. But we do not force second and third reading on somebody. So the applicant and Austin green has not asked to move forward with second and third reading yet. They have up to 360 days to

[10:54:25 AM]

do that or it has to be approved on the 360th day. As far as whether Tesla would be violating an amendment on the entire property or just a portion thereof I don't know because they have not

submitted anything yet. That would be up to them, up to the property owner and Tesla how that would work out. I have no idea. But there would probably be some procedural issues that we would have to deal with and the difference between the Austin green pud and new pud. The Tesla version if you will. We would probably have to do a renotification or something like that. Those are kind of internal staff processing issues. But we anticipate that if Tesla does file an amended application on the property we of course would review it and then we would bring it back to the council for approval when we're ready upon completion of that review. >> Kitchen: Okay. And the puds in the etj have to meet the same requirements as the puds

[10:55:26 AM]

within the city, in terms of things like superiority and all those other various requirements? >> They do, but keep in mind that whenever we're doing a pud we're comparing what is allowed there today versus what they're requesting in the pud. So if Tesla were to file this application that we're thinking about, I think we would be looking at two things. One, comparing it to what's allowed there today, which is limited, because it's in the etj. So we would be comparing what's allowed in the etj versus what they're asking to modify, which is what is allowed in the etj, and then the second part is that we would also be looking at what the property is used for today, which is like I said a mining operation, which is probably the least desirable environmental situation. So almost anything that they could do environmentally. I don't mean anything, but you could probably only go up here environmentally. So we would be looking at the -- at that situation as well as preparing [indiscernible]. The city does have, as I said, environmental authority in the etj.

[10:56:26 AM]

When the state gave us etj authority they recognized that water doesn't stop at jurisdictional lines. Water flows from one jurisdiction to another. That's why we have environmental authority in the etj. So if they needed any environmental modifications, the pud would be a way to do that. [Indiscernible] For variances. >> Kitchen: So one last question. Then I'll yield to others. What about if there's a -- a decision to go down the path on a variance, on variances, is there any particular timeline associated with that from the city's perspective? >> Not that I'm aware, but I have to check with Mr. Harrington. I know they would go to the environmental board as opposed to the pud, which would propose modifications that would [indiscernible] Shows variances provided by city council. The variance would go to the commission. I'm sure the variances if they were approved by environmental board have a

[10:57:27 AM]

timeline within a period of a year or something like that. >> Kitchen: Okay. I have -- I share the -- the comments that other councilmembers have made with regard to the water quality and that will be something that I will be looking for and looking to the work that my colleagues are doing on that. I also share the comments about our -- our values as a city. Related to -- related to -- related to a whole range of things, specifically workers and worker protections. And those kinds of things. I want to ask one specific question since it was included in the presentation that was made to us with Tesla on employee benefits. Because it's out there as part of this presentation, I just want some clarification. I know that's not in front of us and thank you,

[10:58:28 AM]

councilmember Flannigan, for the point that you made. But could you just clarify for me because you mentioned all the benefits, including health insurance benefits, etcetera, for employees, can you clarify for me that those also are available for any temporary or part-time or not permanent employees? What happens a lot of times that I always look for, and I'm not suggesting this is the case with Tesla, but what always concerns me and can happen with some concerns is they are very -- they're very good for their employees, but then portions of their workforce are either part-time, which a lot of times doesn't carry health insurance with it, or they are temporary or not permanent in some way. So from my perspective I always like to understand across the full -- the full gamut of everybody that's working for a company and in one role or another, so

[10:59:29 AM]

because you put the slide up there, I don't want to go away with any misunderstanding on my part which the benefits are made available. >> Take this real quick first. Thank you for the question. There's two things that go into that. One is that we do have some contingent work for us. It's a very small percentage of the workforce at Tesla. Of course we want everybody to be direct employees because it's better for -- it's better for us, it's better for training, it's better for continuity, better for production, better for everything. So that's the goal. For contracts that we do have with contingent workforce whether it's in Buffalo or Nevada or California, there's varying different benefits. But one thing that is consistent across the board is that health care benefits. And we actually put that as a part of the county agreement, we put that in there just to give folks

[11:00:31 AM]

even more assurance that, in fact, anybody that was a contingent worker would also have those health care benefits as well. But there are varying different benefits depending on what contingent workforce you are talking about. The wages side, there's a built into the county agreement for \$15 an area. For

anyone counted toward the job requirement, there's an escalator built in which is above and beyond the county's stated policy. So there's an escalator every year that matches the consumer price index. So I think there's another protection that we've built into the county with the county. -- Contract with the county. >> Kitchen: By hearing you say everybody who works for Tesla in one form or another gets health insurance? >> Yes. >> Kitchen: I have other

[11:01:33 AM]

questions I may follow up on but I'll defer to my colleagues. >> Mayor Adler: Councilmember Ellis. >> Ellis: Thank you, and I really appreciate the folks with Tesla kicking off this conversation with us so we can start to understand the -- the desires and needs of the city and this business if they want to come and work in our etj. This question might be for Jerry. Is my understanding correct that the environmental reclamation would need to happen whether the site was developed by Austin green, by Tesla or by anyone else, would that reclamation still have to happen on that mining site? >> Yes, councilmember, and this again is probably something getting into beyond my area of expertise, but my understanding is there is an obligation under the mining permits. That being said, the mining permits are very old. They originally started in the 1950s. So if you were to go out today and pull a gravel

[11:02:34 AM]

mining permit, you could probably still get one, but the obligation for reclamation would be much more thorough than it is under the existing permit. So there is a requirement, probably not as much as we would like. >> Ellis: Okay. [Indiscernible] I just want to be very forthcoming with the things I liked about the Austin green pud so maybe that would help Tesla if they are deciding to move forward, and that is that the river front, the path way that we're going to reclaim the path way and make it publicly accessible. Living in that area in the future can have something similar we have with town lake. That is something they were working with the parks department on, I think it was a few hundred acres ultimately. The most important part is have natural space and space along the river front for a publicly accessible trail. I think that's a real gift to the community and something people would really appreciate and get on board with. And then I know there were

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also some line items about affordable housing. I wasn't sure if Tesla was at all interested in doing any affordable housing or if they found some way to, like Jerry said, split the Austin green pud into part Tesla and part something else. I'm just very curious about that coverings because I think we could use all the affordable housing we can get, and those are usually the two big things that we want in the city of Austin is the environmental protections and affordable housing. And I do appreciate councilmember

pool bringing up drainage issues and making sure the manufacturing process was also going to be helpful to the environment. And I appreciate that Tesla is a brand that is electric vehicles because that really, really is an important part of our city planning and our commitments as a city as well with our own [inaudible]. So I just wanted to daylight where I was going to be coming from on some of my future decision-making processes. >> Could I respond just really quickly?

[11:04:35 AM]

Richard, whom I'm upset with for a number of reasons including the fact he didn't tell me he was going to wear a tie, but he's also told me I'm not supposed to make too many promises here. But on the Austin green pud, that's one of the things I really liked too is the public park access and public trails access. A lot of our folks have bikes just like you do, councilmember, in the background that would want to take advantage of that. This is something we definitely want to prioritize, work with you all on, work with the community on. On the second question, that's a tougher one. In the -- especially in the way that you framed it. We definitely want to be a partner on affordable housing. No question about that. And what I was thinking was the same thing you said, but as we've had more conversations with the community, there's a little bit of a reticence on, wait a second, why are you building affordable housing next to the highway because this site is right next to the highway. There's some reticence about that and so we just want to

[11:05:37 AM]

make sure before we commit to I go in on the site -- commit to anything on the site, we understand the community needs and what the community would like, but we have had conversations with the county affordable housing corporation and others on affordable housing and would love to get your input or anybody else's input as well. >> Ellis: I very much appreciate that. And I know you haven't watched all of our councilmembers for the last couple of years, -- council meetings, but we talk about the role of transportation and housing and making sure people have access to public transportation, but we also do have ways to partner with our city department neighborhood housing and community development where you may be able to assist us with providing affordable housing that is close and checks all the boxes of being transit adjacent and making sure that it fits in line with our community goals. And so there are other ways besides building it yourself to [inaudible] That process.

[11:06:38 AM]

>> Mayor Adler: Okay. Councilmember tovo. >> Tovo: Thank you, mayor. I do have some questions for our Tesla representatives. I want to thank them for being here today and for the opportunity to talk about this exciting possibility for Austin. I'm going to defer those questions for a little bit. I think, mayor,

you had asked us to focus on questions right now for city staff. Mr. Rusthoven, I wanted to ask, number one, that I think it would be helpful since the Austin green pud has proceeded over a a long period of time, I think it would be useful to have all of those documents added to our backup for today. So as I went back and researched, the pud assessment was presented to the council in December, December 12, 2018, and then the first and second reading of our pud -- I'm sorry, the first reading of the Austin green pud happened in March of this year, but it was at

[11:07:38 AM]

a meeting where we had a lot of other things going on and I think both for the public and for others involved in this conversation, I think it would be really useful to have all of that information in one place. Typically with a pud process, we do have that initial presentation before the filing. I think that's the requirement before the filing. And as my colleagues have -- as the conversation and the questions from my colleagues have elicited, I think we all have questions about what this pud application would look like in relationship to the Austin green pud. And so I would request that we consider having another pud assessment presented to council and really be able as a council to look carefully at what those changes would be. And I guess my last question for the moment then is do you have a sense at this

[11:08:39 AM]

point of what the revised pud application will -- will look like in terms of the meeting of the tier 1 and tier 2 requirements? Under our pud, under our pud zoning process, they do need to demonstrate that the zoning that would result will be superior to conventional zoning. This is a site that's environmentally compromised and all of the plans that have come forward so far for this site are a vast improvement. But I do want to know with real detail how it will tend to meet the tier 1 and tier 2 requirements councilmember Ellis and others have indicated some of the things that the Austin green pud had intended to do in terms of preserving open space along the creek, activating and enhancing, cat

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alizing that tract and other specific points. Do you have a sense of what those tier 1 and tier 2 requirements will look like for this revised application? And would it be possible to do another presentation once that has been resolved and is it possible to link up all of those documents to today's meeting so they are all in one place? >> Sure, councilmember. Yes, I can go ahead and put the backup we had on March 2020 for the Austin green pud, I can have that moved over to this agenda as an exhibit. >> Tovo: And Mr. Rusthoven, also the December, the request was also for the December -- I think it was December 13, 2018, that initial pud presentation to council, if that could also be part of it as

well. >> Okay. And then the second question having to do with can we do a briefing before we come back with the actual amended

[11:10:48 AM]

application, yes, if the council would like us to come back and do a briefing, we would be glad to do so. But that leads to the first question which is do we know what the [inaudible] For tier 1 and tier 2, no, we do not because they have not committed to us -- submitted to us any application right now. We know that they are aware that they have to comply with tier 1 and tier 2 to get a pud, but until we receive that application, I cannot say what they are doing on that. >> Tovo: Thanks. As I indicated I have some questions for Tesla too, but those were my questions for staff at this point. Thanks again. >> Mayor Adler: Okay. I'm giving everybody a chance to ask questions and -- but there's not a limitation to ask for staff or Tesla. I think we've been asking questions of both, but we'll circle back to people so that we keep going. Councilmember Casar.

[11:11:50 AM]

>> Casar: Thanks, mayor. And yeah, I also want to note as councilman Flannigan noted this isn't a hearing on a tax reduction. We are, I think, my understanding from the staff, really just being asked for our quick attention from the city to address the regulatory issues. And I appreciate the Tesla presentation. Clearly part of the presentation is a pitch as to why we should give our quick attention and a bit of a shortened process on a really big construction project. Obviously I think the reasons for doing that are clear from your slides about addressing economic development in east Austin, how this could support our workers of color, in particular the auto worker industry being where you would have the most workers, but also in food service and

[11:12:51 AM]

construction. To both of you as you alluded to, there are media reports and also organizations that will represent those auto workers or food service workers or construction workers that have raised questions about whether or not what is in the slides is exactly how this is going to work out. Not just in other parts of the country but here folks locally. And I personally have seen how sometimes those big construction projects can go right and sometimes they don't go right or as expected. So if Tesla comes here, we want it to be one of those that goes right. And so my questions are about not just about the values as described in your slides because, of course, those are really important, but my questions are really about your commitments to the local workforce if we're going to be going through this pretty quick regulatory process. And I think and I hope that with those commitments in

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mind, that our local organizations that are democratically representing folks like food service workers or construction workers could feel good about those commitments and you all could come forward when we're voting feeling like their questions are answered and one of those that goes right. To my questions are probably to you, Mr. Patel. We've gotten a chance to talk about some of these, but I just think having that conversation here in public would be helpful. So I think you've answered some of this for councilmember kitchen, but can you reiterate so if Tesla comes here, could -- are you talking about the \$15 an hour wage floor for everybody in food service, everybody in construction, everybody working on your shop floor? >> Yes. >> Casar: And that comes with workers' compensation

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insurance and then you said for all of the people that are in certain categories, that comes as well with that health insurance? That means everybody working [inaudible] Comes with health insurance? Is that generally the right way to think about that? >> Certainly everybody worker's comp. That's even in the county contract, they wanted us to specify that, but we would have done that, of course, regardless. On the health insurance, I mean I would just point out this is something I worked on and feel extremely strongly about and we should be protecting the affordable care act and enhancing it. If you have 50 or more people at any site or any company, you have an obligation to provide health insurance. That's certainly the case, and we've actually put it into the county contract that even if the affordable care act were to be repealed, we will make sure that anybody we're working with will have that as a

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baseline regardless whether it's repealed or not. >> Casar: That's what we would expect if you came to -- to the Travis county area, period. >> Yeah. I was looking at -- Val is smiling because she's expecting way, way more than that and that's what she presented. We're talking about a baseline and yes, that's certainly the baseline. It's not what I expect, that's the protection on the floor. >> Casar: And speaking of the baseline floor, on the construction jobs, which is obviously a really big construction project and you will have way more people working construction for a while than you would ever have in building, you are -- your commitment if Tesla builds this project in our etj is the safety training for all the construction workers, osha training for

[11:16:58 AM]

basic training, making sure everybody has that safety training. Is that right? >> Yes, the short answer is question, but osha 10 and osha 30 are different for different types of folks, supervisors, different safety training. But yes, the short answer is yes. >> Casar: And we already talked about the \$15 an hour applying there and the worker's comp applying to those construction workers. And it sounds like as far as a -- as far as things that y'all were still sorting out was whether or not you could make sure that you're not just creating a career ladder and training on the auto shop floor, but that you could work with apprenticeship programs on construction sites, which is unwith of the things we do on all of our big construction projects as a city and I think is one of the requirements for expedited permitting at the city. I know from our last conversation it doesn't sound like y'all have made that commitment yet and it's

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not something you fully have vetted, but is that something that you all might be amenable to thinking about? If you found -- >> Sorry, councilmember. Yeah, without question. What we put into the county agreement is a set of folks, those are from government organizations, skill point, you'll works, workforce solutions, capital area and Austin community college, the U.S. Department of labor's apprenticeship programs and the U.S. Department of labor's certified bilingual training programs. So those are the company -- those are the entities that we shall work with and encourage our contractors to work with and make efforts to make sure all contractors and subcontractors whether during the construction phase or further phases are working with those entities. >> Casar: You are saying on the construction side? >> Both. >> Casar: I think in the

[11:18:58 AM]

city's programs we wind up having a goal that gets set for the percentage of the construction work that gets done by folks coming through those sorts of programs, so before it comes back to council I would urge you all to see to look at what the city sets for our big projects and talk with the community about that. One other issue that sounded like still was somewhat outstanding was the -- was whether there could be a monitoring program to ensure compliance with everything we just laid out that is vetted by the community and that people feel holds everybody to the same standard. And that's again something I would really urge because my experience both working on council and the workers movement and now on council is that I'm surprised that given that list of commitments that there is still disagreement. I would hope that given the

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things you've said today, maybe there's some other outstanding issues that, you know, the list -- this email I recently got is pretty long. I just went and tried to hit what I thought were the high points, but

my hope is given what you put in your slides and given what you just said now, my hope is that trust can be built and that -- because my sense is one of the concerns is is everything that has been laid out now, is that what we actually expect will happen. And that has probably -- in my view, has a lot to do with just history of how some things have gone in Austin. And so my hope and belief is that the organizations that are represent and built by food service workers or construction workers or janitorial workers, that if you all have that conversation and talk through what it is we just talked through, I think you can find a way to make sure that everybody knows that this is going to go right, that everybody knows that

[11:21:00 AM]

what little you just said is going to happen, that that would be the floor and all we should anticipate is things being better than that. Because we know we need continued jobs especially in a moment of major economic contraction and disaster for many people, but we want those to be as good a jobs as possible for the long term. And I think that's all many people are asking for, and I expect that Tesla should be able to rise to that challenge and get people to believe and know that the things that we're laying out, that you've laid out that you are committed to, that's what we would expect if you come to the city. >> Councilmember, I think that's not just fair, I think that's really helpful and, you know, something we will want to do going forward. Some of the questions that you had are also fair. I think if you look through the county agreement itself, specifically section 4.7,

[11:22:01 AM]

the -- for the folks on the call and for the public, we have actually agreed to a lot of those things not reluctantly but proactively. We're not perfect. We are by no means perfect. But we're also one of the most, maybe the most scrutinized company in the world. We want to have systems in place that don't just protect but involve workers, involve construction workers and make sure that we have systems that provide for compliance, provide for safety and provide for interaction. So totally agree with you and we'll follow up on some of the points you made. >> Casar: And closing on that, then, I would hope and expect we have those folks that represent food service workers or construction workers feel better and tell us that they have that confidence and I feel confident you all can achieve that. And then second, I just think that some of those

[11:23:01 AM]

questions were raised in part because it seems like the compliance program at the county, there's a different compliance program than what people are used to. So I think that in part has raised some of the questions and I think that it's things you can get answered and get done. >> Mayor Adler: Thank you. I just want to -- I concur with the questions that have been asked by all my colleagues. There's obviously

regulatory issues and environmental issues that are not before us now but we know are coming, and when they come we'll deal with them then and based on representations and values I hope and trust we'll be able to get past those. But I did want to pause a second -- I think

[11:24:02 AM]

somebody -- [inaudible]. >> It's Valerie. If I could just make one point, and from a people perspective, you know, hearing the floor mentioned, about the actual agreement, I think is proper because we have to put floor of salaries and floor of benefits, but judge us by what we actually do. What we actually do. Take a look at what we've done in Nevada, what we've done in Buffalo, Fremont with our janitorial teams, with our culinary teams, with our production teams. So as you look at -- I get the floor because that's protection for both parties in terms of the agreement, but we are so proud of what we actually do, we actually pay, what we actually get done. As these conversations continue and we talk with different constituencies, it will be exciting to continue to explain how we actually work. I just wanted to make that

[11:25:03 AM]

point. But I get that we do need to talk about floor. >> Mayor Adler: Thank you, Valerie. I just want to conclude by saying I just want to note that as we in this city are talking about workforce development and lots of different areas and trying to get 10,000 people as part of our goal out of poverty and into middle skilled jobs, a community focused on middle skill jobs, the one thing if we were to close our eyes to imagine what it is that we would like to have come into our city, it was manufacturing, it was clean manufacturing. It was clean manufacturing that would be hiring thousands of people for middle skill jobs, and it would be locating in the eastern crescent. So the fact that Tesla is considering coming here with a factory of this size in a

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very different way than other large companies have come in and gone through pretty exhaustive processes, the fact that coming out of a pandemic this might be an opportunity that presents itself, not slowing down at all, the regulatory issues that we have a responsibility to still deal with, this is, I think, a pretty extraordinary opportunity for our city and we appreciate the opportunity to be in discussions about it with Tesla. Further comments from my colleagues? Mr. Flannigan. >> Flannigan: Thanks, mayor, and I want to echo a lot of what you said there. We're in a very challenging place thinking about our economic future and the idea of bringing the types of jobs we've been saying we want, Tesla bringing those jobs is something very important. I know the Tesla folks haven't had to do a lot of work with the city of Austin or council in the past and

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it's -- this would be going differently if you were asking us for a tax abatement so I'm glad we can keep this in a good space for the most part because I don't know if it would have been the other way around. I haven't even read the Travis county deal so I'm not going to comment on it. I do have one more question for staff. When I pulled up the emergency service district map from Travis county, it appears that this site is in esd-4, which was taken over by Austin fire department. I don't know that I need an answer in this moment, but I would like an economic assessment of what the property tax that Tesla would pay to esd-4 that ends up being run by Austin fire department. Because I think there may be an additional benefit in terms of the collaboration with the esds. >> Renteria: Mayor, you couldn't hear me earlier or see me. Mayor, can you hear me? >> Mayor Adler: Councilmember Renteria, go ahead. >> Renteria: Well, you know, I just want to address

[11:28:05 AM]

to Tesla's people. This is a great opportunity for Austin, you know, that we have had all the injustice in the eastern crescent. If you go past 183 down the Colorado river, you'll see all the dump and trash that has been dumped there on both sides. I mean that whole area I've been trying to address that issue with more development so we could clean up that area because it was used as a concrete site, mining, you know, gravel pits. That's what -- that section between 71 and the river, that's -- and right across it, that's how it has been used in the past. So I'm really excited about y'all and I hope that y'all do take into consideration because you have an opportunity to build in a section of east Austin that has been neglected for all my years that I've been

[11:29:06 AM]

living here in Austin which is over -- 70 years. You have an opportunity to make a site there the most beautiful place right there on the river. And I know that the kind of people that you are going to be hiring, they are really going to enjoy that whole area there. And it's in a very convenient place. It's off of 130. The airport is less than a mile away from there. So this is a real good opportunity, and believe me, my people, my constituents in my area there in east Austin and d3 are thrilled about being able to have the ability to go out and work at a manufacturing plant instead of having to be at fast food or entertainment. Nothing wrong with those jobs, but as we can see what happens during a pandemic, a lot of those jobs go away. And we have the opportunity to have y'all here, it would be great for us and I really

[11:30:07 AM]

would, you know, encourage you all to really consider us and this is an opportunity of a lifetime for the del valle school district and the students there. And if you go and look at that, those two in that area, a lot of them barely going to technical schools. A lot of them are high school graduates. So, you know, this would bring us what we've been wanting for years and years. We have never been able to get a manufacturing plant built here, especially in the east Austin area. And I think that if you all come down here, it would be a great opportunity for my area of town. >> Councilmember Renteria, real quick, leaving the site selection for -- leading the site selection for Tesla so I'm supposed to be sober about this process, but truth be told, villainy have

[11:31:08 AM]

fell in love with this community. It's been inspiring to get a chance to meet some of these community members and [indiscernible]. A lot of it is by zoom or all of it is or by web access, it has been cool to meet those folks. I agree with you. Can't root for any particular site, but I certainly have been inspired by this one. >> Renteria: Thank you. >> Mayor Adler: Any other comments before we move on? Councilmember kitchen. >> Kitchen: Yes. So -- and I echo the statements that all of my colleagues have made. This is an exciting opportunity for the city. So -- and we appreciate you coming at this point to talk with us about it. I just want to highlight two other issues that we don't need to speak to today.

[11:32:09 AM]

And that I'll want to understand better. So I believe other councilmembers and councilmember pool have mentioned drainage issues, and so that will be something that I'm really wanting to understand, particularly I know that there are individuals living in that area that have perhaps experienced flooding or experienced flooding after coda was developed in that area so may have concerns about the potential for flooding so I'm going to want to be understanding how that is protected or mitigated for. I also want to understand that there are utility issues that we will be -- that the city will be asked to address and particularly if there are any costs for the city relates to utilities. So I wanted to highlight those two areas. Speak to them today or perhaps that would be something we would want to get into later, but in addition to the other issues

[11:33:10 AM]

that my colleagues have highlighted, I wanted to highlight those two and I echo what all of my colleagues have said particularly councilmember Casar, thank you for articulating the concerns and

questions that many of us have regarding worker safety. And thank you, councilmember Ellis, for articulating the questions we have about the environmental issues in those areas. And, of course, councilmember Renteria, that's spot on, the potential that we have for this area for our community. So again, just highlighting two additional things, my concern related to drainage and potential for flooding, and then my questions related to utilities. >> Mayor Adler: Okay. All right. Thank you very much for the presentation. Rohan, it's good to have -- >> Tovo: Mayor, I'm sorry, have I -- [indiscernible]

[11:34:22 AM]

>> Tovo: Mayor? >> Mayor Adler: Councilmember tovo, go ahead. >> Tovo: Mayor, I have [indiscernible] >> Mayor Adler: Go ahead. >> Tovo: Can you hear me? >> Mayor Adler: Yes, you are breaking up a little, but go ahead and try it. >> Tovo: I'm sorry. [Indiscernible] >> Mayor Adler: Your sound is breaking up, Kathy. >> Tovo: I'm going to switch. >> Mayor Adler: Why turn off your video and see if that improves your sound. >> Tovo: How is this? >> Mayor Adler: That's good. >> Tovo: Great. Thanks.

[11:35:23 AM]

[Indiscernible] >> Mayor Adler: Kathy, we're not getting that. You are breaking up. Do you have a technical answer to this? Kathy, have you turned off your video is it improved any? [Echoing] >> The only -- oh, my gosh. The only -- >> Tovo: Not able to turn off my mute. Not able to turn off my mute. >> Hello?

[11:36:23 AM]

Okay. There we go. So the only suggestion I have is for her to disconnect and reconnect. >> Tovo: [Indiscernible] Can you hear me now? >> Flannigan: You're on mute, mayor. >> Mayor Adler: Yes, we can hear you. >> Tovo: Thank you. I think -- [indiscernible] >> Mayor Adler: And now you are breaking up. >> Tovo: [Indiscernible] Is this any -- >> Mayor Adler: Not really. >> Just so that the councilmember doesn't feel bad, we're a tech company, we're supposed to be super high tech and this happens to us every day. No worries at all. >> And it's the same company

[11:37:25 AM]

that wants me to get in a driverless car. I don't think so. [Laughter] >> Mayor Adler, we had a similar issue in a meeting yesterday and we had the speaker who was having issues call me and then I put them

on speaker. Could we do something like that? >> Mayor Adler: Kathy, do you want to try to call one of your colleagues? Your video on the screen has frozen. Kathy, can I just put this phone up to it? Hang on. Kathy, why don't you go ahead. >> Tovo: I appreciate it. Sorry for all the confusion. I appreciate the creativity.

[11:38:25 AM]

I wanted to thank again, I'm not sure how much of this transmitted earlier, I was thanking Tesla for your consideration of Austin. I believe that Austin could be a great fit for Tesla and that Tesla could be a great fit for Austin and I appreciate your willingness to really talking very concrete details about different points that the community has raised, especially community organizations that are such -- such supportive organizations and I really appreciate [indiscernible] Commentary and your sharing of information about workplace culture and the actual commitments Tesla has made in other areas, and I wanted to invite you to provide us with some of that information. You talked about some -- some really important values that Tesla shares in terms of its corporate culture and I would love to know more about how that has been implemented at Tesla

[11:39:26 AM]

locations in other areas, and you had offered that and I would want you to share that with certainly my office but I imagine my colleagues would like to see that specific information as well. In particular I'm interested in what you have to say about really the opportunities for individuals at every level to work their way into higher levels of responsibility within the company. I think that's certainly something that I value in terms of a corporation, their support of workers. To the extent you could provide us with information about professional development training programs that would be available to workers, that would be really good information to have as well. I think that's it for me. Thank you, I appreciate the opportunity to have this presentation this morning and look forward to the ongoing conversation. >> Mayor Adler: Thank you. With that, I think with all

[11:40:27 AM]

the hands raised, I want to thank Tesla for coming here and for considering us and look forward to the next step, assuming we stay in the game. Great opportunity for us. Great possibility. Colleagues, it is 11:40. Do you want to recess, go to lunch? I'll call the executive session. It's 11:40 now. Do you want to go for half an hour or to, like, 12:30? How much of a break do you want? >> Casar: Mayor, I would rather keep it short, but I defer to the group. >> Renteria: I would rather keep it short. >> Mayor Adler: Let's come back at 10 after 1:00. We'll do half an hour. Councilmember kitchen? >> Kitchen: Yeah, let's just say 1:15. I think -- if that's all right with everyone.

[11:41:28 AM]

>> Harper-madison: [Inaudible] That's not a half hour. >> Kitchen: I didn't mean 1:15. I didn't mean 1:15. I'm sorry. What did you say? Was that Natasha? >> Harper-madison: Yeah, you said half an hour. Two people have said one something. >> Kitchen: I said it wrong. >> Harper-madison: You mean 12:15. >> Mayor Adler: We're going to come back at 12:15. City council will now -- I'm going to call can recess. Good into executive session and discuss legal matters related to item 2, budget and tax rate adoption, November 2020 election. Without objection, we will go into executive session. I will see everyone there at 12:15.

[executive session]

[2:22:25 PM]

[Mayor Adler: Alright. It is 2:22 p.m and we are out of Closed Session. We discussed legal matters related to item: 2. With that it ends our agenda and this meeting is adjourned.