

Old Austin Neighborhood Association (OANA)
6 February 2018

The Board of directors (BoD) of OANA came together on Tuesday 6 February at the Shoal Creek Saloon. The meeting began at 4 PM with BoD members in attendance Charles Peveto, Paul Byars, Ray Canfield, Ted Siff, Blake Tollett, Perry Lorenz, Katie Jackson and Austin Stowell. Advisory Council members attending included Kathy Marcus, Chris Riley and Dorothy Doolittle. Alumni BoD member Perry Horton also attended. We had no other guests.

On motion from Charles with Ray seconding, the January 2018 and Annual General Membership meetings minutes were unanimously adopted as submitted.

Under **Items for Discussion and Action**, we began by reviewing items that will be before voters on the November 2018 general election ballot such as U.S and State Congressional races, the City Mayoral and Council races, and the proposed City bond election. There is also the possibility that there will be a City-wide referendum concerning the proposed rezoning of the City under CodeNext. The question before the BoD is how and where we, OANA as an organization, can and should become involved. Traditionally OANA has stayed neutral on political questions and only gotten involved with matters that touch upon land use within the neighborhood. After discussion it was decided to revisit these questions later in the year.

Our political discussion then turned to a proposed Charter Revision Commission. Ted served on the most recent iteration of this Commission and explained to us the nuances involved. If the Commission is reconstituted the focus will probably be on the question of whether the City Attorney office will be moved from its current placement under the City Manager's office and placed directly under the City Council. Currently the only City department directly under the City Council's jurisdiction is the City Auditor's Department.

Ted spoke to us briefly about the ongoing City's Bond Election Advisory Task Force going on. They should finalize their recommendations to the City Council by the end of February. We will probably see funding recommendations for transportation, parks and open spaces, City facilities such as fire stations and the City's history center, cultural facilities and some sort of address of affordable housing. This will be a large ask of citizens/taxpayers.

The quest to locate a Major League Soccer (MLS) facility in Austin continues. Since parkland advocates seem to be successful in removing the alienation of City parkland from the discussion, there again appears to be talk of looking at the current House Park Stadium facility for the proposed site. There are complications not the least of which is the complicated ownership of the site that involves Austin Community College (ACC), Austin Independent School District and the City of Austin. The site is small but there is an ACC parking garage adjacent and ACC may be planning on building another. There is also the Shoal Creek flooding concern, but if a new facility is built there could be an incorporation of a floodwater inlet to carry flood waters directly to Ladybird Lake similar to how Waller Creek is handled. This probably is not going to happen.

We then discussed the Downtown Puzzle. From the Mayor's website:

“Mayor Adler proposed a solution to the Downtown Puzzle, his name for the interconnected and geographically contiguous challenges in the eastern part of downtown Austin. After months of discussions with community groups represented at a City Hall press conference, the Mayor proposed harnessing downtown economic activity, including an expansion of the convention center, to raise \$30 million for permanent supportive housing for the homeless and create an ongoing funding stream to address homelessness that starts at about \$4 million a year until 2021 when it doubles. The Mayor’s proposal, which requires Council action, does not include any property tax increase.

The elements of the plan begin with establishing a Tourism Public Improvement District (in which hotels tax themselves voluntarily) to create a revenue stream for homelessness. At first, this will yield about \$4 million a year for homelessness, rising to approximately \$8 million beginning in 2021.

Local hoteliers would only voluntarily do this if the City expanded the convention center. Doing this requires increasing the local hotel occupancy tax, or bed tax, to 17%, the maximum allowed under state law. Expanding the convention center is required by state law to increase the local bed tax. Doing so makes the following possible:

- 15% of the local portion of the bed tax is dedicated to the arts, which means an increase in bed tax revenues caused by the convention center expansion will accordingly increase funding for the local arts community.
- The local bed tax revenues will provide funding for preservation for the entertainment districts on East Sixth Street and Red River and funding for the local music industry.
- The bonding resulting from expanding the convention center will pay off the debt from the existing convention center ahead of schedule, freeing up 2 cents under the cap in 2021, and create capital funding to preserve the Palm School and to complete the Mexican-American Cultural Center.

The Mayor highlighted differences in the current convention center and the proposed expansion that will result in expanding the property tax base. The first and second floors of the expansion could be reserved for retail and restaurants, opening up a part of downtown to the public. Additionally, it’s envisioned that two towers will be built on top of the expansion, one for office use and one for affordable housing at 30% MFI.

Because expanding the convention center will increase economic activity, the Downtown Puzzle envisions using a tool called Tax Increment Financing to capture the taxes generated downtown to finance improvements that benefit downtown. This will yield \$30 million to build permanent supportive housing for an estimated quarter of those experiencing homelessness downtown. “The ARCH is an intake facility with no outflow. We need housing for the homeless, and tourists are paying for it,” said Mayor Adler.

Housing the downtown homeless will increase the viability to build the Waller Creek chain of parks. To realize the vision of creating a world-class public park system on par with Manhattan’s High Line or Houston’s Discovery Green, the City could extend the Waller Creek TIF, bringing in an estimated \$100 million that philanthropists and private funding would match. Creating an additional assessment for Waller Creek would provide for ongoing park maintenance.”

Understanding of the terms leads to the central question of whether the convention center itself should be expanded beyond its current footprint through the taking of additional lands already on the tax roll. The City has engaged the University of Texas School of Architecture, the Center for Sustainable Development, to look at this question and whether a public-private-partnership (PPP) is feasible to accomplish the stated goals.

A collateral issue of how to utilize going forward the Hotel Occupancy Tax (HOT) monies has previously been looked at by the Visitor's Impact Task Force. Currently there is a 15% tax on lodging; 40% going to the City and 60% going to the State. The City's portion of the HOT monies is further divided into being utilized for the convention center's capital and operational costs and allocations for cultural arts and historic preservation projects. Currently there is a 15% carve out of the City's portion of the HOT monies for cultural arts and it has been recommended that there also be a new 15% carve out of the monies for historic preservation projects. [NOTE: State law requires that projects receiving these carve outs demonstrate that the folks staying in the lodgings that are taxed are benefited by these carve outs; I.E. they're tourist destinations.]

While the Downtown Puzzle question and the convention center are not within our neighborhood boundaries, carve out of HOT monies could very much affect assets within our boundaries.

Going on to **Committee Reports and Action Items**, Charles reported that the dedication of the Wood Street Settlement At Shoal Creek Undertold Historical Marker ceremony would be held at 9 AM on Friday 23 February. This Texas Historical Commission marker tells the history of an African-American freedmen colony in the area that transitioned into a Mexican-American working class neighborhood before being abandoned due to flooding and demolishments. As for Wooldridge Square Park, they will be having an It's My Park Day activity on Saturday 3 March. In addition, Charles has been working on the building of the willow houses in Pease Park, an art installation project.

Advisory Council member Kathy Marcus reported that the Austin Energy chilling station project continues. There are still questions, especially as to how quite the facility will operate, but it has been a good faith effort to incorporate the most modern technology into the facility so as to lessen its impact on the residential neighbors. She and Charles also reported the installation of a four way stop at W. 2nd Street and West Avenue that will go at least some of the way in addressing pedestrian safety in the area.

Our next meeting will be on Tuesday 6 March at the Austin History Center beginning at 4 PM. Following the meeting the OANA BoD will tour the facility. With that, we adjourned.

Blake Tollett, Secretary
OANA