

# Questionnaire – Austin City Council Candidates 2011 - Place 4

ChangeAustin.org

Question #1	Laura Morrison	Eric Rangel		
<p>In 2006, the Texas Association of Appraisal Districts <u>released a study showing that large-scale commercial properties across Texas enjoy 40%, on average, property tax under-valuations.</u> The same study concluded that high-end (\$1M+) residential properties enjoy 25% under-valuations. The result of these under-valuations are a nearly \$60M per year in missed funding for the City of Austin alone. (See details below, based on TAAD’s 2006 Study). Meanwhile, Austin’s ordinary homeowners are appraised at 98% on average and therefore carry a disproportionate share of the property tax burden. Travis County currently gives a homestead exemption of 20%. <b>Would you lead a City effort to: 1) Adequately staff the Appraisal District with appraisers, which would more than pay for itself, to properly appraise commercial developments and high end homes, and 2) Institute a homestead exemption for homes under \$1 million to help correct for this inequity in taxation? (Incumbents: Please explain what you have done on this issue since we informed you about it in the summer of 2009. We’re going easy on you since this information was made available in 2006 by TAAD.) <u>Additional back-up can also be viewed here.</u></b></p> <table border="0"> <tr> <td data-bbox="72 855 620 1025"> <b>MILLION DOLLAR HOMES</b>                      AISD 1.227% or \$22.2M tax missed                      CITY OF AUSTIN 0.4571% or \$8.27M missed                      TRAVIS COUNTY 0.4658% or \$8.43M missed                      TRAVIS CO HEALTHCARE DIST 0.0719% or \$1.30M missed                      ACC 0.0951% or \$1.72M missed                 </td> <td data-bbox="648 855 1254 1142"> <b>COMMERCIAL</b>                      AISD \$165M missed                      CITY OF AUSTIN \$61.3M missed                      TRAVIS COUNTY \$62.5M missed                      TRAVIS CO HEALTHCARE DIST \$9.65M missed                      ACC \$12.8M missed AISD 1.227% or \$22.2M tax missed                      CITY OF AUSTIN 0.4571% or \$8.27M missed                      TRAVIS COUNTY 0.4658% or \$8.43M missed                      TRAVIS CO HEALTHCARE DIST 0.0719% or \$1.30M missed                      ACC 0.0951% or \$1.72M missed                 </td> </tr> </table>	<b>MILLION DOLLAR HOMES</b> AISD 1.227% or \$22.2M tax missed CITY OF AUSTIN 0.4571% or \$8.27M missed TRAVIS COUNTY 0.4658% or \$8.43M missed TRAVIS CO HEALTHCARE DIST 0.0719% or \$1.30M missed ACC 0.0951% or \$1.72M missed	<b>COMMERCIAL</b> AISD \$165M missed CITY OF AUSTIN \$61.3M missed TRAVIS COUNTY \$62.5M missed TRAVIS CO HEALTHCARE DIST \$9.65M missed ACC \$12.8M missed AISD 1.227% or \$22.2M tax missed CITY OF AUSTIN 0.4571% or \$8.27M missed TRAVIS COUNTY 0.4658% or \$8.43M missed TRAVIS CO HEALTHCARE DIST 0.0719% or \$1.30M missed ACC 0.0951% or \$1.72M missed	<p>The equitable distribution of property taxes among residential and commercial properties is critical to the fiscal well-being of the city. There have been several instances in the past few years where appraisals on commercial properties do not align with fair market value. For example, there is a parcel on Cesar Chavez Street that the city considered purchasing for \$15 million, but the appraisal is on the tax rolls as \$3 million. I raised the issue at the time, and the city chose not to proceed with the purchase.</p> <p>I have worked with city staff to provide the appraisal district with important information that can impact TCAD appraisals, including data compiled during the process of real estate transitions by the city, and information on nonstandard entitlements on specific properties.</p> <p>The Council needs to continue to foster this relationship with the appraisal district to share better information and follow up on TCAD appraisals that do not align with the city’s independent appraisals. And, I am certainly open to a conversation about the staffing needs of the appraisal district.</p> <p>I support a balanced homestead exemption that would enable long-time, low-income home owners the opportunity to stay in their homes despite rising property values, while at the same time minimizing the impact to the city’s general fund. When I investigated the possibility of a homestead exemption early in my term on Council, I learned that the option available to us allowed only for an exemption based on a straight percentage of appraised value which would not have allowed us to meet this goal, nor would it allow limiting the exemption to homes valued at less than \$1 million, but I do support this approach.</p>	<p>1. Yes 2. Yes</p>
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Question #2	Laura Morrison	Eric Rangel
<p>Assistant city managers and city staff communicate vital city business with lobbyists using their private email accounts outside of public view. <b>Do you agree with this practice?</b> City Attorney Karen Kennard recently said that there is nothing the council can do to stop this practice because the city charter prohibits the mayor and council from applying personnel policies to city employees. But, the city charter says no such thing and the council has “all powers of the city” and full authority to determine policies and require the manager to execute them. <b>Will you lead the effort to pass an ordinance to require that all city business be subject to disclosure to the public regardless of the messenger, device or account?</b></p>	<p>The issue at hand pertains to the retention and openness of public record, which are critical policy arenas for the City Council to address. While the City Manager is responsible for the day-to-day administration of the city, the City Council is responsible for the adoption of policies that pertain to how the city operates. There are examples throughout the city code where the City Council has adopted such broad policies, including matters of financial disclosures and records management. The City Council adopts policies, and the City Manager may adopt administrative bulletins and guidelines to carry out the policy.</p> <p>I would support an ordinance clarifying that all communication pertaining to city business be subject to public record, retention, and disclosure.</p>	<p>a. I do not agree with the practice of conducting city business with a personal email account. b. Yes, Transparency is crucial. I’m in favor of an ordinance that would require disclosure of city business to the public regardless of the messenger, device, or account.</p>

Question #3	Laura Morrison	Eric Rangel
<p>All US rail transit systems are highly subsidized by taxpayers. <b>If you support the Mayor's rail transit system, how do you propose to pay for it other than using our system of regressive sales or property taxes that disproportionately hurt low and limited income citizens? If not, then will you work to prevent the proposal from being placed on the ballot and to defeat it?</b> (You are welcome to share your thoughts on an alternative plan to increase mobility in Austin in an affordable way.)</p>	<p>I believe that a proposal for an urban rail system that ties into a broader multi-modal transportation system, focusing on long-term solutions to our traffic and congestion problems, should be offered to the voters of Austin. There are many questions that need to be answered before I will support placing a rail initiative on the ballot, including financial questions identifying how the construction of the project would be funded, how it would be operated to maintain financial sustainability, and how it would impact affordability. In particular, I have pressed for an analysis of how we will address the expected impacts of rising property values around transit lines to avoid gentrification that forces families out of their homes. Of course we need to realize that rail transit, along with our roadway system, is generally subsidized by taxpayers, and I look to recommendations from the studies underway for financing options within the realm of these questions that will potentially include federal funding and TIFs. I would like to note, however, that I have general hesitations about the creation of TIFs, unless there is a fair contribution of community benefits from the property owners whose property value increases drive the financial viability of a TIF.</p>	<p>I do not approve of the mayor's plan. I believe it's too much too fast. I believe we need start small and turn our focus towards the city's urban core and then work out as the need/demand rises for it. I believe that by concentrating on the urban core of the city first we can minimize our costs. But before we place it on the ballot we must make sure that we know exactly how its going to be funded and where the stops are going to be placed throughout the city. As it stands I would not vote for the Mayor's proposal.</p>

Question #4	Laura Morrison	Eric Rangel
<p><b>Do you support giving more taxpayer money to subsidize the Formula 1 track or enterprise in any shape, manner or form?</b> Is yes, please be specific.</p>	<p>I am deeply concerned about the possibility that Austin could spend \$4 million annually to host F1. Any contract considered by the city would require significant public vetting and proof that it's the right fit, both fiscally and environmentally. Given that the F1 organization has already made a commitment to bringing the event here and construction has begun, I cannot imagine any reason why it would make rational sense to use Austin taxpayer subsidies to support the enterprise.</p> <p>In addition, I believe we need to consider that City subsidies may enable State subsidies of \$250,000,000 over 10 years at a time. This makes City participation more problematic, considering the current budget situation at Capitol, where we are struggling to meet basic needs with a structural deficit that has yet to find a solution.</p>	<p>No</p>

Question #5	Laura Morrison	Eric Rangel
<p>Existing residents are paying the massive costs of public infrastructure for new developments built to serve the newcomers to Austin in the form of roads, water, wastewater, schools, police, fire, etc.... For example: The city currently charges developers an average of \$2,000 for a water and sewer tap when the city's actual cost is over \$10,000. <b>Will you work to reduce that burden by charging the true costs of growth allowed by state law to those who benefit, so that growth begins to pay for itself?</b></p>	<p>Yes. I believe in the principle that growth should pay for itself. Part of the direction given to staff with the adoption of the comprehensive plan framework and the motion to move forward with the preferred scenario was to conduct case studies that will look at real life infrastructure costs for new development and infill. This will give us an enhanced understanding of the true costs of growth and enable us to adjust our policies within the construct of the comprehensive plan.</p> <p>I will look to the Impact Fee Advisory Committee for recommendations on adjustment to the impact fees that city assesses, to more realistically reflect the increased cost of providing infrastructure for new development. In addition, the current cost of service study for development review will provide an opportunity to retrieve actual costs.</p>	<p>Yes. We must increase our impact fees to developers and stop placing the burden of growth on the citizens of Austin.</p>

Question #6	Laura Morrison	Eric Rangel
<p><b>Do you support the right of citizens, community groups and political organizations from across the city and from across the political spectrum to put their own charter amendment for fair geographic representation on the ballot, or do you think this is the purview of the City Council?</b></p>	<p>Yes, I am always supportive of the rights of citizens to put any issue on the ballot. I do want to emphasize that I am supportive of geographic representation in our City Council structure and will do what I can as a Council Member to ensure our citizens have the opportunity to vote on it.</p>	<p>I do not support putting specific amendments on the ballot. Hopefully, if we pass single-member districts, we can alleviate some of the concerns that citizens, community groups and political organizations have. With single-member districts we can erase the "Gentleman's Agreement", have individuals run not based on color but based on vision and the content of their character, and become the progressive city we claim to be. In doing so, we can increase public involvement and ensure that all neighborhoods and that all citizens of Austin have a voice.</p>