

**State of Texas
County of Bexar
City of San Antonio**



**FINAL
Meeting Minutes
City Council Special Session**

City Hall Complex
114 W. Commerce
San Antonio, Texas 78205

Tuesday, August 25, 2015

10:00 AM

Municipal Plaza Building

The City Council of San Antonio convened in the "B" Room of the Municipal Plaza Building. City Clerk Leticia Vacek took the Roll Call with the following Councilmembers present:

PRESENT: 11 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Gonzales, Lopez, Medina, Nirenberg, Krier, and Gallagher

1. Staff presentation on the FY 2016 Proposed Budget focusing on, but not limited to, the following City Departments: [Sheryl Sculley, City Manager; Maria Villagomez, Director, Management & Budget]
 - A. Planning
 - B. Office of Sustainability
 - C. Employee Healthcare & Civilian Compensation
 - D. Economic Development
 - E. Office of Historic Preservation

A. PLANNING

John Dugan detailed the City's 360 Annexation Plan to include Scope, Time Lines, and options available to the City for implementing said Plan. He noted that the City was originally 36 square miles and now encompassed 486 square miles. Based on Census Reports compiled in 2014, the City's population is 1.43 Million Residents.

It was reported that the current Annexation Policy was adopted in 2013 and that the intent of Annexing was to promote economic development and facilitate long range growth while fostering partnerships. The benefits of Annexation include proper management of growth, protection of resources, encouragement of economic development, and enforcement of City regulations.

Mr. Dugan stated that Staff reviewed areas to be Annexed and identified 30 Areas based on such factors as potential for development, amount of greenfields, and proximity to the Aquifer. In 2014, the 360 Annexation Plan was approved by the Mayor and Council. As part of the approval process, 5 of the 30 Areas were identified for Limited Purpose Annexation over a 2 year period. He detailed the Areas to be Annexed by Fiscal Year and spoke on the actions to be undertaken. It was clarified that Residents residing in the Limited Purpose Annexation Areas would be required to comply with City Building and Zoning regulations and were eligible to vote in City Elections for Mayor and Council. Mr. Dugan reported that City neither Property nor Sales Taxes would not be collected until the Area was Annexed Fully by the City and that said decision had to be made by the 3rd year of Limited Purpose Annexation. It was reported that by the year 2030 a total of 218,000 Residents would be living in the 5 identified Annexation Areas and revenue totaling \$29.6 Million would be generated.

As it relates to Community Outreach Efforts, it was noted that the Department had presented Zoning Plans at Community Meetings and Open Houses. Mr. Duggan highlighted the schedule of Public Hearings for Phase I Areas that are required to be held by the Planning Commission, Zoning Commission, and City Council.

As it relates to Phase II of the Limited Purpose Annexation Plan, it was noted that work would begin in January 2016 and that the Department was requesting a Budget allocation of \$133,000 for required Community Outreach efforts.

Mr. Dugan reported that the Limited Purpose Annexation of the Southside was approved by the City Council in 2014 and that the City planned on Annexing the Land Full Purpose by Dec 2016. In order to complete required Improvements, the Department was allocating

\$1.25 Million for said. Improvements to be completed include the training of Public Safety Personnel, the purchase of land for Fire Stations, and building of Fire Stations.

It was noted that in 2015, several Bills were proposed in the Texas Legislature that would have negatively impacted the City's ability to Annex land. Mr. Duggan highlighted the Bills and requested that the City continue to advocate against the passage of the Bills in future Legislative Sessions.

Mr. Dugan reported that the Department was recommending the Limited Purpose Annexation of 6 additional Areas in 2016. If approved, 87 square miles would be added to the City and approximately 50,000 Residents.

Councilmember Lopez spoke on the urgency the City faced in keeping up with growth and detailed data used by the MPO to assess County growth patterns. He asked to be provided with a status on the development of a Comprehensive Plan by Project priority, deployment status, and areas needing protection and that the Planning Department collaborate with other political entities regarding development of Non-Annexation Agreements so the Long-term Annexation Plans could be implemented. Mr. Dugan reported that the Annexation Plan identified 30 Areas for Annexation by the City of San Antonio. He noted that analysis conducted indicated development South of Loop 410 and 200 miles of land East and West of the City as well as the need to conserve land over the Aquifer.

Councilmen Lopez clarified that the intent of entering into Non-Annexation Agreements was to protect growth corridors and manage growth. At the request of Councilmember Lopez, Mrs. Sculley spoke on the City's liability associated with not protecting growth corridors. She noted that the goal was to increase development in older parts of the City, such as inside Loop 410, while catching up with the Annexation of land. She reported that Residents were lured by Developers to live in the County so they would not have to pay City Taxes; however, Inner City Residents deserved funding consideration as well since they paid for public services via City taxes. In the area of Annexation Plans, she noted that the City had hosted several Annexation Public Hearings and would amend Plans based on Citizen Input. She noted that Residents of identified Annexation Areas could enter into a Service Agreement with either the City or the County, or could choose to seek Incorporation. She noted that offering the highest quality services to Residents was a priority for the City and would be identifying Areas to Annex after completion of a Cost Analysis Study.

Councilmember Lopez reiterated the importance of planning for the future and development of a Comprehensive Plan that includes Stakeholders. He noted that resources were limited and needed to be conserved. It was stated that the lure to live in the County was

overestimated as tax savings to Residents was nominal for guaranteed fire and police services.

Councilmember Viagran spoke in support of the City developing an Annexation Plan that addressed growth, protected Military objectives, and included input from Stakeholders. She noted that the City had the advantage in implementing regulations now as Areas in the Southern part of the City Limits were still unpopulated. Mr. Dugan reported on Southside Development Plans and detailed actions taken by the City which included entering into Agreements and noted that the City anticipated an increase in future development in the Area between 410 and 1604 along the Southside due to infrastructure improvements made by the City.

Councilmember Medina asked for clarification on expenditures made totaling \$133,000. Mr. Dugan reported that said amount was for the completion of land surveys and creation of zoning studies required under State Law for the Alamo Ranch and Lackland Annexation Areas. He noted that the money was also used to send out Notification to Property Owners for each of the 5 scheduled Public Hearings and administrative functions associated with the conduct of the Public Hearings.

In the area of Community Outreach efforts, Mr. Dugan reported that the Department held Public Hearings which conveyed Annexation Information and had created a website where Residents could look up property Zoning Classifications. Councilmember Medina spoke on the importance of informing the Public about Annexations Plans, on protecting Military Installations, and in developing Joint Land Use Plans.

Councilmember Medina asked for clarification on Annexation revenue and expenditures. Mr. Dugan explained that start-up costs were more in the beginning years as the City was required to provide training and develop infrastructure for public safety needs. It was noted that revenues would not be collected until FY 2020. Councilmember Medina spoke in support of the City developing a Plan that managed growth and addressed infrastructure needs.

Councilmember Warrick asked of how San Antonio compared to other Cities in land mass. Mr. Dugan reported that San Antonio would surpass Oklahoma City if all 11 Annexation Plans were approved but that Jacksonville, Florida would continue to comprise the most land mass. Councilmember Warrick asked of the Plan to improve streets in the Annexed Areas and associated timeline for achieving same. Mr. Dugan reported that the City would add 60% more lane miles and highlighted alternate travel options available in order to lessen traffic congestion.

At the request of Councilmember Warrick, Mr. Dugan stated that the City intended on creating a Comprehensive Plan that focused on growth occurring inside Loop 410 and Loop 1604 while also addressing future growth expected to occur outside Loop 1604. He stated that Bexar County did not have the financial capacity to provide public services to its Residents and Annexation by the City ensured protection and proper land management.

Councilmember Warrick asked of a Plan to De-Incentivize growth. Mr. Dugan reported that the City of San Antonio would not subsidize Development but would complete improvements not required to be made by Developers. He noted that continued dialogue with Bexar County was needed in order to determine the level of partnership between the City and County.

In response to Councilmember Warrick, it was noted that the City of San Antonio modeled Annexation Plans after Fort Worth. Mr. Dugan stated that Annexation would be financially beneficial to the City even though revenues were not expected until 20 years after Annexation.

Mrs. Sculley noted that communication had not been initiated with the County regarding funding assistance of Annexed Areas and that the City would involve other Stakeholders such as School Districts in the development of a Comprehensive Plan.

Councilmember Gallagher asked of the services to be provided near Converse once Annexed by the City. Mr. Dugan stated that the City would be entering into a Contract with the Area allowing Residents to keep fire protection received from the local Emergency Service District. He stated that the City would generate revenue via property taxes and that the City had 36 months to negotiate an Annexation Agreement as the Area was identified for Limited Purpose Annexation.

Councilmember Gallagher voiced his concern with Legislative Bills proposed in 2015 that would have limited the City's ability to Annex land. He requested that the City lobby against these proposed Bills in the future as they would cripple the City's development process and ability to manage resources.

Councilmember Krier highlighted the Annexation approach used by City under the direction of Mayor Cisneros. It was reported by Mr. Dugan that the last time the City Annexed land was in 2014 as part of the Southside Limited Purpose Annexation Plan. He stated that every Texas City had a different Annexation Process and that San Antonio modeled its Plan after Fort Worth.

Councilmember Krier highlighted complaints he received from Constituents that reside in Areas proposed for Annexation and requested clarification on what new services Residents

would be receiving once Annexed. Mrs. Sculley reported that services offered by the City surpassed those offered by the County to include fire and police protection, garbage collection, and public health programs. She noted that as part of Bond Programs, street, drainage, and facility improvements were made in the proposed Annexation Areas.

It was reported by Chief Hood that the fire protection and emergency medical services provided to County Residents were inferior to those offered by the City. He stated that in many instances the City was called to assist as the emergency provider did not have the equipment or experience needed. Councilmember Krier added that the Bexar County Sheriff's Office did not have adequate resources to fund crime prevention programs or enhance investigation services. He asked of funding allocations planned by the City for services to be provided in the Annexed Areas. Mr. Dugan responded that the Annexation Plan did include funds for the training of Firefighters and Police Officers needed for the two new Fire Stations scheduled to be built on the Southside. At the request of Councilmember Krier, metrics used to determine the financial feasibility of annexing land were detailed. Chad Tustison, Director of Management and Budget, stated that Police Protection was based on calls for service whereas Fire Protection was based on need. He noted that the City anticipated revenue in the 4th year of Annexation with a positive net gain expected 15 years after Annexation.

Councilmember Krier asked of the City's ability to Annex some Areas as Limited Purpose. Mr. Dugan stated that the City had 3 years to negotiate with all Property Owners residing within the Limited Purpose Annexation Area and that the City was researching the legal issues involved with having multiple contracts. He stated that the Department planned on providing the Council with an update by the end of 2015 and that said Report would include costs associated with each Annexation option. It was noted that without an Annexation Plan, Areas would not have proper land management or zoning regulations.

Councilmember Krier spoke in support of the City's Annexation Plan as it allowed for the City to control development and requested that action be taken no later than January 2016.

Councilmember Nirenberg voiced his concern with the City Annexing land. He requested that the Council be Briefed on Policies that govern the Annexation Process in order to determine priorities and financial implications. Mr. Dugan detailed items to be incorporated in the Comprehensive Plan and noted how the intent was to protect resources. He noted that Areas identified for Annexation were at least 50% developed.

Councilmember Nirenberg stated that the City should focus on Annexing Areas already developed as compared to ranking economic interests. Mr. Dugan stated that the City planned on determining the level of services to be provided to the Annexed Areas. He

noted that the City Attorney's Office was reviewing the timeline for providing services based on the level of development already made in the Area. As it relates to Camelot II, Mr. Dugan stated that the Area was scheduled for Limited Purpose Annexation and that Residents would be required to comply with zoning and building requirements and health inspections. It was clarified that Services such as public safety and garbage collection were not scheduled for implementation at this time. He noted that the City met with Bexar County regarding the City taking over garbage collection and that the County was assessing the Proposal made by the City which included conditions for collection and cost. Mrs. Sculley added that under the Agreement with Bexar County, the City would collect garbage from Residents who currently did not pay for said service.

At the request of Councilmember Nirenberg, Mr. Dugan reported on Communication efforts undertaken by the Planning Department to inform Residents of the Annexation Process. He noted that information was available at Open Houses and On-line and that Reports included Annexation benefits, cost, and importance to Residents. Councilmember Nirenberg reiterated his request that the Council be briefed on Annexation Policies.

Councilmember Gonzales asked of a Policy for developing the Inner City. Mr. Dugan detailed the ReNewSA Program and spoke on Plans for redevelopment and investments scheduled for the Inner City that would increase the quality of life for Residents. He noted that the Comprehensive Plan focused more on development of growth corridors that linked the Inner City to other parts of the Community.

Councilmember Gonzales voiced concern with providing services to Annexed Areas at the expense of local Residents. Mr. Dugan stated that the Comprehensive Plan prioritized strategies for developing Inner City Infills. Councilmember Gonzales spoke on the cost associated with Annexation and requested that the City develop an Inner City Reinvestment Plan to include costs. Mr. Dugan reported that said information would be included in the Comprehensive Plan and the Multimodal Transportation Plan as well as Actions to be completed and timelines.

Councilmember Treviño spoke on the importance of collaboration in developing a good Annexation Plan and that said Plan should address public safety as well as zoning and building concerns. He noted how development regulations should be viewed as a public safety mechanism rather than a nuisance.

Councilmember Treviño asked of the City's strategy for determining Compliance by Property Owners in newly Annexed Areas. Mr. Dugan reported that properties Annexed as Full Purpose would be grandfathered-in as is; while properties Annexed as Limited Purpose had to comply with development procedures. Councilmember Trevino spoke in support of

the Annexation Plan and asked that equal financial consideration be given to the Inner City.

Mayor Taylor spoke on the importance of balancing growth and noted that Annexation did not take away from developing other parts of City. She stated that the responsibility of investing in Communities was shared and requested that Policies be implemented that encourage investment in the Inner City.

Mayor Taylor exited the meeting at this time and Mayor Pro Tem Treviño presided.

At this time, Mr. Dugan provided the Mayor and Council with an overview of the Department's Organizational Structure and noted that the Department consisted of 6 Divisions. He briefed the Council on the responsibilities of the Department to include development of a Comprehensive Plan, Sustainability Plan, and Multi-Modal Transportation Plan. In the area of Accomplishments made by REnewSA, it was reported that 10,000 Code Enforcement cases were resolved, 18 Homes were rehabilitated, 29 structures repaired, and 28 Let's Paint Projects completed. Mr. Dugan reported on the Northeast Corridor Initiative and noted that private investments resulted in the completion of \$26 Million in improvements.

It was noted that the Department was asking for a Budget Allocation of \$20 Million and a Personnel Compliment of 59 Employees. In the area of reductions, it was noted that the Department eliminated 1 Vacant Assistant Director Position. Mr. Dugan highlighted Departmental Accomplishments and Partnership. Improvements identified for FY 2016 include additional funding for Annexation, Residential Roof Repair, Housing, Local Initiatives, and Let's Paint activities. An overview of the responsibilities of the Housing Policy Unit was provided and it was noted that the Department would be hiring 2 new Staff Members.

It was reported by Mr. Dugan that Operation Facelift no longer had available funding. Councilmember Medina highlighted the benefits of said Program and requested that additional funding be identified to continue providing assistance.

Councilmember Viagran spoke in support of the Local Initiatives Support Corporation partnering with San Antonio and highlighted the benefits to the Community. She asked for information regarding REnewSA. Mr. Dugan highlighted Partnerships and noted that the City was expanding the targeted neighborhoods based on Markets identified.

Councilmember Nirenberg voiced concern with most of the Department's positions being Grant Funded. Mr. Dugan noted that the Department was previously comprised of several other Departments. Ms. Villagomez clarified the number of Personnel paid via the General

Fund and Grants. Mr. Dugan reported that Staff working on the Comprehensive Plan were also paid via the General Fund.

Councilmember Lopez asked of the implementation of Community input received at the Eastside and Westside Summits. Mr. Dugan reported that the input received was incorporated into other Plans. As it relates to the implementation of façade improvements identified at the Westside Summit, it was reported that CDBG funding was no longer available. At the request of Councilmember Lopez, Mr. Dugan stated that the Department could have opportunities to Redirect funds to the Façade Improvements Program as the year progressed. It was also requested that the Department communicate the benefits of said Program to the Public.

Councilmember Gallagher asked of the availability of funds by North East Corridor totaling \$100,000. Mr. Dugan reported that Matching Funds would be available for the Façade Investment Program.

At the request of Mayor Pro Tem Treviño, Mr. Dugan spoke on the Residential Roof Repair Program. It was noted that the intent of the Pilot Program was to repair roofs using more eco-friendly materials. He stated that for conservation purposes, roofs should be made of light-colored materials and that roof repair replacement was estimated to cost between \$10,000 and \$12,000.

B. OFFICE OF SUSTAINABILITY

Doug Melnick reported on the Department of Sustainability's FY 2015 Accomplishments to include hosting the SA Tomorrow Sustainability Forum which had over 400 attendees and being awarded the EPA Energy Star for two different buildings. It was noted that said buildings were recognized for being 75% more efficient than traditionally built structures. Other Accomplishments highlighted included collaborating with Development Services to adopt the 2015 International Energy Conservation Code, being recognized by the Association of Energy Engineers for Best Practice Initiative for Swimming Pools, certified 75 Fiesta Events under the Green Events Ordinance, Recertified as a Bronze Community by the American League of Bicyclists, and distributed over 1,000 bike helmets. He noted that the SA Tomorrow Sustainability Plan would incorporate input from Stakeholders as well as data compiled from the Comprehensive and Transportation Plans.

Mr. Melnick expanded on the Sustainability Plan and noted that said Plan would incorporate data such as air quality, mobility, and water as well as identify municipal energy consumption, access to healthy food, and identify needed biking infrastructure. He highlighted the Evaluation Matrix that was being developed for the Plan and noted that said

tool would be used to develop future Policies and Budgets. It was reported that the Sustainability Plan would primarily focus on air quality and that data compiled would be used to develop and implement Air Quality Programs.

It was reported that this was the last year of the Rockefeller Foundation Hundred Cities Program where Funding was provided to pay for the Sustainability Director position.

IMr. Melnick reported on air quality measurements for the San Antonio-New Braunfels Metro Area and noted that the Area was measured at 80 parts per billion from 2012 to 2014. He stated that the current EPA standard was 75 parts per billion and did not know if the Area would be re-classified as being in Non-Attainment Status at the next reporting period. It was mentioned that the EPA was proposing that the standard be lowered to 60 or 70 parts per billion and that models indicate air quality for the Area would be at 74 parts per billion by 2018. In order for the Area to continue being in compliance with EPA standards, the Alamo Area Council of Governments (AACOG) was proposing the implementation of a Regional Action Plan.

Mr. Melnick spoke of the importance of developing partnerships in order to improve the Region's Air Quality. It was reported that the City partnered with AACOG to secure the services of Environ which was tasked with developing a comprehensive air quality strategy focusing on decreasing emission levels in various Areas. Mr. Melnick stated that AACOG was scheduled to host a Leadership Summit which would provide Businesses with a forum for discussing the impact of Non-Attainment on the Community and identifying commitments for implementing Sustainability Initiatives.

In addition, the City partnered with Building Operators to train Staff on new technology used in energy efficient structures. He reported that said Partnerships allowed the Department to complete 376 Projects and make improvements on 194 Facilities which resulted in a savings totaling \$1.3 Million. For FY 2016, the Department planned on making Improvements to 25 Facilities for a savings of \$255,000.

In the area of Energy Management, it was noted that the Department was collaborating with TCI on developing Design Guidelines for City Facilities. It was noted that Staff was in the process of evaluating City Facilities to determine the feasibility of implementing solar panels on rooftops.

Mr. Melnick noted that the Department was requesting Funding totaling \$3.1 Million which was allocated by the Solid Waste Department, Federal Grants, and Energy Efficiency Initiatives. It was stated that said Funding was an increase for the FY 2015 Budget as additional funding was needed for the B-Cycle Program.

Edward Benavides briefed the Mayor and Council on the B-Cycle Program and reported that 450 bicycles were available at 55 Stations. He highlighted the benefits of said Program to include the decrease of 1 million pounds of carbon emission. It was noted that Partnerships helped with making said Program successful and that the City would continue to collaborate with other organizations on said Initiative. Mr. Benavides stated that the City was working with SARA on developing a Matching Grant Program with the intent of funding Sustainability Improvements. Also highlighted was the partnership with VIA regarding the integration of a Ridership Program to availability of B-Cycle Stations within walking distance of stop signs.

As it relates to Governance, it was reported that the City would be naming the Department's Full-time Executive Director soon and was trying to amend the Board's Governance structure. It was noted that the intent was to increase the Membership to 9 Members and have Representatives in the Medical, Tourism, Finance, Marketing and Legal Professions.

Councilmember Lopez spoke on the negative impact air quality issues had on respiratory ailments and requested data on same. He noted that investments made to improve air quality would have a positive impact on the Community. Councilmember Lopez spoke in support of Mass Transit and Ride Sharing Programs to mitigate traffic congestion while also improving air quality issues.

Mr. Melnick noted that the SA Tomorrow Program was included in the Comprehensive and Transportation Plans and stated that air quality issues could be addressed in said Plans.

Councilmember Lopez stated that he had asked CPS Energy to redirect funds from low performing portfolio items to Sustainability Programs rather than ask for a rate increase. He reported on the significant impact said change would have on the environment and public health.

Councilmember Gallagher highlighted businesses that clean up the air and reported how the technology they used positively impacts quality of life issues. He requested that the Department increase Community Outreach efforts and inform the Public of the financial impact associated with bad air quality.

Councilmember Nirenberg asked for clarification on the STAR Communities Program. Mr. Melnick stated that said Program was a rating system used to determine the success of Sustainability Programs implemented within the Community. He noted that said Program would assist the City in identifying successful Initiatives, areas for Improvement, and developing Sustainability Policies.

Councilmember Nirenberg requested that air quality be measured as part of said Program. It was reported by Mr. Melnick that the City would identify items to be measured once an Environmental Report was received and that the Council would be briefed on the STAR Communities Program in October 2015.

Councilmember Nirenberg voiced his concern with the City being in Non-Attainment Status for Air Quality issues and the financial burden to the Community for having said Status. He highlighted immediate actions that would assist the City mitigate air quality concerns such as implementing Ordinances. Councilmember Nirenberg spoke on the importance of developing better working relationships with Regional Partners in order to develop a Plan of Action that communicated the importance of implementing Sustainability Programs.

Mr. Benavides reported that the City was evaluating the need for having a long-term Sustainability Director. He noted that said Position was being Funded by the City for 1 year and that Partners would asses the need of said position as well as who would Fund the Position in subsequent years.

Councilmember Nirenberg spoke on the possibility of having B-Cycle Stations along Linear Creekway Bike Paths and highlighted the success of the program at the UTSA Main Campus. He suggested that Members of the Citizens Planning Group be used to identify placement of future B-Cycle Stations.

Councilmember Krier asked of the financial implications of being in Non-Attainment Status. Mr. Melnick stated that he was working with several Partners to quantifying the dollar amount associated and noted that the Public would be informed of the negative financial implications via Community Outreach efforts.

Councilmember Krier spoke in support of informing the Public of the financial penalties and restrictions imposed for being in Non-Attainment Status. He asked of the process undertaken when a City returns to Attainment Status after being in Non-Attainment. It was reported that penalties and restrictions were reduced and that the Community continued to be monitored. At it relates to the discharge of emissions, it was noted that the Calaveras Plant and Cement Plants produced the largest amount of emissions with personal vehicles generating the most emissions by people.

Councilmember Krier asked of the impact associated with prohibiting 18-wheelers from passing through the Urban Core of the City. Mrs. Sculley reported that the Council could consider said request as well as recommend other policies that would decrease emissions.

Councilmember Krier highlighted the importance of the City developing Ordinances and Policies that mitigate emissions, limit financial constraints, and increase transportation options. Mr. Melnick reported that if implemented, the Lone Star Rail Line would decrease vehicle traffic traveling between Austin and San Antonio by 10%.

Councilmember Krier spoke on emissions resulting from vehicles idling in traffic and requested that the City-wide Signal Synchronization be reviewed.

Mayor Pro Tem Treviño voiced his concern with heat islands and spoke on how they impact weather patterns. He stated that the City had the ability to determine construction materials for new buildings in order to decrease emissions. Mr. Melnick reported that the Sustainability Plan would suggest the use of building materials that decreased ozone emissions and creation of heat islands. He mentioned planting more trees to reduce ozone emissions.

Mayor Pro Tem Treviño asked for clarification on allocations requested for the B-Cycle Program. Mr. Benavides stated that inclusive of Mid-Year Budget Adjustments, the Department was asking for a funding allocation of \$181,000. Mayor Pro Tem Treviño voiced his concern with the distribution of B-Cycles Stations and Stations not being available at Parks. Mr. Benavides stated that the City was collaborating with other entities such as VIA to expand the Program and clarified that B-Cycles were available at the Missions due to Grant Funding. He reported that the Department was in the process of assessing the Program in order to determine placement of future Stations.

RECESSED

Mayor Pro Tem Treviño recessed the meeting at 1:15 pm and announced that the meeting would resume at 2:00 pm.

RECONVENED

Mayor Taylor reconvened the meeting at 2:05 pm and addressed the Economic Development Budget Presentation.

C. EMPLOYEE HEALTHCARE & CIVILIAN COMPENSATION

Item C regarding Employee Healthcare & Civilian Compensation was not addressed.

D. ECONOMIC DEVELOPMENT

Rene Dominguez with the Economic Development Department provided an overview of Accomplishments to include San Antonio being ranked by Forbes Magazine as one of the top 10 fastest growing Cities and fastest growing Millennial populations. In addition, San Antonio was recognized by the Milken Institute as one of the top 10 Cities for job growth and best performing large Cities. He noted how the rankings reflect on the City's financial stability and vitality. He noted that said performance was due in part to the Department prioritizing Economic Development Policies and Programs to leverage on the City's unique Cultural and Historical assets. Mr. Dominguez reported that said focus has allowed for the City to see an annual economic investment of \$13 Million. He noted that more investment was predicated due in part to the World Heritage Designation.

It was noted that a key investment made by the City was the development of the South Texas Medical Center. He noted that it resulted in San Antonio being recognized as a leader in the area of health care, medical research, and biosciences. Mr. Dominguez stated that said sector accounted for one out of every 6 jobs being located in San Antonio and a \$ 25 Million financial impact to the City's economy.

Another important economic generator highlighted was the Military presence in San Antonio. Mr. Dominguez noted that San Antonio was recognized for creating industrial and business parks out of former Military Bases. He noted that has lead to a \$28 Million annual financial impact to the City. Assisting with this financial gain was the Economic Development Foundation and Free Trade Alliance. Mr. Dominguez stated that partnerships have assisted the City in requiring that all employees are paid a living wage and have allowed the City to support the creation of job training programs.

As it relates to job creation, it was noted that 80% of jobs in San Antonio were created in the Areas of Health Care, Tourism, Military/Government, and Education. Mr. Dominguez stated that said job diversity has resulted in San Antonio having a resilient and stable economy. For this reason, San Antonio was recognized by the Milken Institute as one of the best performing Cities in 2011. Despite this recognition, San Antonio's economy has not grown as quickly as other Communities such as Austin and Dallas. It was reported that the City needed a more focused Economic Development Plan that enhanced diversification of job creation while aggressively pursuing targeted industries. Mr. Dominguez highlighted the creation of 1,500 new jobs and economic investments totaling \$167 Million.

It was noted that the Department planned on implementing the Business Retention and Expansion Program which would focus on retaining businesses already located in San

Antonio. Mr. Dominguez reported that the Department would be receiving assistance on said Project from the Economic Development Foundation. As such, the Department was allocating \$500,000 to the organization and that Funds would be used to implement a Community-wide Strategic Plan. It was noted that DeLoitte Consulting was contracted to identify shared goals and objectives that focused on Business Recruitment, Retention, and Expansion as well as supported the entrepreneurial spirit.

Mr. Dominguez stated that the Department had implemented a Trade Investment Strategy with the intent of securing foreign investment and enhancing International Trade. For this reason, the Economic Development Department planned on merging the International Relations Office with them and allocate \$300,000 for International Development efforts. It was noted that the merger would allow the Department to leverage Sister City and Friendship City Partnerships.

Another economic generator for the City resulted from supporting Entrepreneurs and Small Businesses. Mr. Dominguez stated that the City was able to financially support companies like Rackspace, Geekdom, and Tech Bloc by providing technical assistance via Café Commerce and the Small Business Advocacy Program. He noted that Google Fiber coming to San Antonio would result in additional jobs and businesses being created.

Mr. Dominguez highlighted the success of the Small Business Advocacy Program to include implementation of the Diversity Program and Mentor Protégé Program. He noted that the Mentor Protégé Program currently had 97 participants enrolled and that 28 were schedule to graduate in the Fall.

Councilmember Lopez spoke on the important role the Economic Development Department played in establishing partnerships, identifying investment opportunities, and generating revenue. Mr. Dominguez highlighted Foreign Investments completed by the Economic Development Foundation and the Free Trade Alliance. He detailed data compiled by the Brookings Institute which identified investments made in San Antonio by market and county. It was reported that in FY 2016, the Economic Development Department planned on merging the operations of the Sister Cities and Friendship Cities Program.

Mr. Dominguez clarified that the activities performed by the Economic Development Department were not duplicated by other Agencies and that resources were shared in order to achieve desired economic goals. Councilmember Lopez spoke on the importance of quantifying performance in order to ensure a positive return on investment for Businesses and the Community.

Councilmember Warrick asked of the Branding of "Military City USA." Mr. Dominguez

explained that the Economic Development Department focused on establishing working partnerships and creating jobs for the Military. Councilmember Warrick requested that the City Brand said message in order to target Veterans transitioning out of the Military and looking to start a Business. Mr. Dominguez highlighted economic opportunities available to Veterans throughout the City and stated that the City was continually identifying opportunities to leverage resources made available by the Military.

Councilmember Warrick asked of training opportunities available in the areas of Cybersecurity, Aerospace, and BioSciences. Mr. Dominguez reported on the available job opportunities and spoke on the Department's intent to align Educational Programs with industry needs.

Councilmember Viagran highlighted the City's diverse economy which resulted in the City being financially stability and spoke on recent investments made to include Vista Ridge and Holt Cat. She asked for clarification on wage requirements for businesses locating to San Antonio. Mr. Dominguez replied that every Agreement stipulated that all Employees are to have a starting salary equal to the City's Living Wage and that 70% of site Employees are to receive a salary equal to the median manufacturing wage after 1 year. He noted that the median wage was indexed annually and the City did not use a prevailing wage. It was stated that the intent of establishing wage regulations was to incentivize companies in paying higher wages and that wage requirements were implemented 17 years ago.

Councilmember Viagran requested that future contacts denote a Living Wage equal to that paid to City Employees. Mrs. Sculley reported that that City would develop a new Policy on wage allocations and stated that said Policy would be brought forth to the Council at a Future Council Meeting.

Councilmember Gonzales asked for clarification on the number of jobs created in San Antonio since 2000. Mr. Dominguez reported that 80% of all jobs created in 2000 were in the fields of Health Care, Tourism, Education, and Military/Government.

Councilmember Gonzales highlighted work being performed by Delegate Agencies and requested that the City continue to support agencies providing Workforce Development. Mr. Dominguez noted that some of the work completed by the Department was not measured with Business Presentations, Succession Planning with Small Businesses, and pursuing business opportunities.

Councilmember Nirenberg asked of the role the Department would play in the development of the Comprehensive Plan. Mr. Dominguez spoke on the importance of collaborating with Educational and Financial Institutions for Economic Growth and relying more on Private

Sector funding. Mr. Dominguez spoke on Budget Allocations and noted how Funding would be strategically used in order to determine the best return of investment.

Councilmember Medina spoke in support of Department's Initiatives in growing the local economy. He asked of other types of industries the City was pursuing to San Antonio. Mr. Dominguez stated that studies indicated that the City had the capacity for growth in the area of Data Processing and Hosting. He spoke to the importance of the City focusing resources on opportunities that lead to the creation of new jobs. Councilmember Medina asked that the Council be Briefed on Educational Attainment Goals.

Councilmember Treviño spoke on the City's ability to adapt to economic trends which benefited the Community financially. He asked of Outreach Efforts being undertaken by the Economic Department to highlight that City's rich Cultural History. Mr. Dominguez reported that the Department planned on incorporating the City's Culture Identity into marketing efforts and that said message would be similar to the Convention and Visitors Bureau.

Councilmember Treviño asked of the role the Economic Department played in facilitating Airport Initiatives. Mrs. Sculley spoke on the collaborative relationship between the Departments and noted that the Business Councils supported the Aviation Department in identifying opportunities for growth.

Councilmember Treviño requested that the City pursue opportunities which would identify San Antonio as the gateway to Latin America. Mr. Dominguez referenced Slide 49 and highlighted International Businesses involved in the Import/Export Trade.

Councilmember Gallagher spoke on the importance of the City pursuing the Entertainment Industry such as sports teams to San Antonio. He suggested that the Economic Development Department collaborate with local Businesses and Veterans Organizations to market San Antonio as "Military City USA."

Councilmember Krier asked of the economic investment made to the Economic Development Foundation by the City and County. Mario Hernandez, Director of the Economic Development Foundation, reported that the City and County each make an investment of \$500,000 and that said funding allocation has been the same for the last 5 years. He spoke in support of the Foundation changing its focus to Business Retention and Expansion efforts as compared to focusing on External Marketing. It was noted that the completion of recent studies assisted the Foundation in identifying areas of growth, developing partnerships abroad, and implementing marketing strategies that lure businesses to San Antonio.

At the request of Councilmember Krier, Mr. Hernandez reported that the City of San Antonio was just as competitive in luring business as other Cities. He noted that partnering with the City and County assisted the Foundation in securing Private Funding. Mrs. Sculley added the City was successful in attracting and retaining businesses due to developing partnerships with the Business Community. She noted that this was a good time to revisit the Department's Mission in order to ensure that resources were being used in the best way possible. Councilmember Krier requested that the Economic Development Department brief the Council at future Meeting on resource allocation and Partnerships. It was reported that the City had actively recruited Foreign Investors to San Antonio for over 20 years and that more needed to be done locally in order to attract more investments.

E. OFFICE OF HISTORIC PRESERVATION

Shanon Miller presented the Office of Historic Preservation (OHP) Budget by showing a Video detailing the Mission of the Department, Guidelines used for preserving and protecting structures, and Partnerships developed. She noted that said Video was used as a tool for engaging the Public in strengthening Neighborhoods and increasing the value of Communities.

It was noted that the Mission of the Department was to identify, designate, design, and educate the Public on the benefits of preserving historic structures and Communities. Benefits identified include strengthening Neighborhoods, adding revenue to the local economy via the creation of jobs, creating a more sustainable environment, and showcasing the Culture and Traditions of San Antonio.

Mrs. Miller spoke on the Organizational Structure and noted that the Department was comprised of 5 Program Areas. She highlighted the charge of each Area and assistance provided to the Public and City Departments.

With regard to the World Heritage Designation, OHP would continue to promote and protect the Missions. Mrs. Miller highlighted the Economic Impact to the City that resulted from Historical Preservation efforts. Examples identified include increased revenue totaling approximately \$100 Million in Construction Salaries and \$1.7 Billion in Heritage Tourism Salaries, attracting small businesses to San Antonio, creating diversified and stable Historical Neighborhoods, and implementing Smart Growth Planning Initiatives.

In the areas of Initiatives, it was noted that the Department recently hired a Cultural Historian with the intent of identifying the Cultural significance of structures. Mrs. Miller reported that said Initiative would assist OHP in engaging the Community so that places

with significance would be identified, discussed, and protected. She noted that one method for facilitating discussions was via the use of a Smart Phone Application. It was reported that the Mobile Survey would assist OHP in collecting data effectively from multiple sources.

Mrs. Miller detailed the various Educational and Outreach efforts conducted by OHP which included hosting workshops, seminars, and Homeowner Fairs as well as participating in the Preserve America Youth Summit. She spoke on the CONSAFOS Campaign that OHP implemented last year and noted that it was similar to a Program used by the National Trust to inform the Community about Historical Structures.

Another Initiative highlighted was the Vacant Building Pilot Registration Program. Mrs. Miller stated that said Program was comprised of 2 Components: 1) Registration of Vacant Buildings and 2) Maintenance of Property. She stated that the intent of the Program was to encourage the rehabilitation and development of the property, require Owners to maintain the property, and create a safe Community. A study was highlighted which found that houses within 150 feet of a Vacant Home or Abandoned Home decreased in value by \$7,627 while a property within 300 feet decreased in value by \$6,819. Also indicated in the study was a loss of \$26,397 in property taxes over a 20 year period for Vacant Property.

Mrs. Miller reported that the Vacant Building Pilot Program was implemented in January 2015 and was scheduled to conclude in June 2016. During that period, OHP would focus on various activities to include allocating resources, conducting investigations, notifying Property Owners of Non-Compliance with City Ordinances, and filing cases. Mrs. Miller provided an overview of the Notification and Registration processes. She noted that a total of 329 Properties were identified for inclusion in the Vacant Building Program with 105 Properties being registered to date. It was reported that a total of 25 cases had been filed for Non-Compliance.

The Mayor and Council was provided with an overview of the Department's \$1.5 Million Budget. It was noted that 20% of the Budget was for Historic Preservation efforts and 45% for Development Related Services. Mrs. Miller highlighted Funding and Personnel Allocations since the Department was created in FY 2009.

Mayor Taylor spoke on the importance of the Department hiring a Cultural Historian and requested that said person work with Community Leaders to identify homes and other properties of historic value within their Neighborhood. She noted that the Cultural Historian could convey to Residents the importance of preserving history, especially as the dynamics of the Community change.

Mayor Taylor spoke on the importance of Departments communicating with each other in order to balance the needs of the City and those of the Property Owner. She noted that the intent of the City was to encourage development and assist with the rehabilitation of properties. Mrs. Miller reported that Historic Preservation and Code Enforcement were working to develop a Policy and that would be presented at a "B" Session in September.

Councilmember Warrick asked of a Communication Plan used by the Department to inform the Public of the benefits of living in a Historic District. Mrs. Miller stated that the Department was focusing on developing an Infographic regarding the Demolition Process. Councilmember Warrick stated that he would like to see some areas in District 2 classified as Historic Districts and would like to meet with Staff on said topic. Mrs. Miller noted that the Department recently adopted Historic District Design and Downtown Design Guides which provide direction on the proper way to make historical renovations. In addition, the Department planned on reviewing Design Guidelines and Standards as well and collaborating with Partners to establish Guidelines for the Preservation and Promotion of World Heritage Sites.

Councilmember Warrick asked for more information on the Vacant Building Program. Mrs. Miller replied that the Department did not plan on adding properties to the list at this time as the Program was an 18-month Pilot Program. She noted that the Mayor and Council would have the opportunity to add Properties if the Program was approved to be implemented City-Wide. It was reported that Policy Guidelines for the Vacant Building Program would include investment strategies and suggestions made at Council Committee Meetings. Councilmember Warrick voiced his concern with the Program not including Vacant Lots as they too impacted the Neighborhood in a negative way.

In order to commemorate the 30th Anniversary of the visit of Martin Luther King, Jr., to San Antonio, Councilmember Warrick requested Historical Markers be placed at buildings that he visited.

Councilmember Warrick asked of Policy Guidelines addressing density within the Core of San Antonio, especially as the City was expected to have another million Residents by 2040. Mrs. Miller responded that Policy Guidelines focused on the development of Infill Areas but that information regarding density within Historic Districts could be added.

Mayor Taylor exited the meeting at this time and Mayor Pro Tem Treviño presided.

Councilmember Medina spoke on the importance of educating the public on San Antonio's Cultural History. He asked of resources available to Citizens residing in Historic Districts. Mrs. Miller highlighted the various methods available to Residents for contacting the Office

to include calling 3-1-1 or the Department directly as well as emailing OHP at its dedicated email address. She noted that the Department conducted Annual Trainings with Realtors with the intent of educating them on the responsibilities of Homeowners residing the Historical Districts and financial incentives available for rehabilitation efforts.

Councilmember Medina asked of the partnerships with Developers working in Historic Neighborhoods. Mrs. Millers responded that the Department was available to provide assistance to Developers and that incentives were offered for rehabilitating properties. She noted that the Historic Preservation Office worked closely with other City Departments and local Businesses.

Councilmember Viagran thanked the Department for their hard work and assistance in the City obtaining the World Heritage Designation. She spoke on the importance of preservation efforts and informing the Public about San Antonio's Cultural History.

Councilmember Viagran asked of the process for informing Property Owners that a Neighbor was requesting the Historic Design Review Commission to approve planned property improvements. Mrs. Miller detailed the various methods used to notify Property Owners and interested parties of Meetings. Councilmember Viagran spoke on the importance of implementing viable suggestions received from the Cultural Initiatives Mobile Survey as well as Education and Outreach efforts.

At the request of Councilmember Gallagher, Mrs. Miller spoke on property values for individuals residing next to Vacant Lots and Buildings. She reported that property values decreased the most for those residing the closest to the Vacant Buildings and Lots and that local taxing entities lost revenue from the unmaintained properties. Councilmember Gallagher voiced concern with demolishing buildings and noted that there was a greater chance of structures being rehabilitated than someone building on a vacant lot.

Mayor Pro Tem Treviño spoke on the importance of rehabilitating structures as compared to demolishing them. With the assistance of other Departments and Partners, Mrs. Miller stated that the goal was to review the Demolition Process. She noted that research was being conducted to identify better methods for enforcing demolition orders and the feasibility of using Abatement and Grant Funds for Rehabilitation efforts. It was noted that the City was assessing the possibility of incorporating a Housing Rehabilitation Program in the next Bond Program. Mayor Pro Tem Treviño spoke on the importance of Councilmembers selecting Board Members that would assist in protecting the Historical and Cultural Identity of the San Antonio.

At the request of Mayor Pro Tem Treviño, Ms. Claudia Guerra reported that each

Community within San Antonio had different ideas of what was culturally significant and how to rehabilitate properties. She stated that assistance was provided to groups in obtaining resources, documenting their history, and completing required paperwork. Mrs. Kay Hindes spoke on the work undertaken by the Department to identify the three locations of the Alamo. She noted that the first location was at the present day Christopher Columbus Society Headquarters and that the third location was at its present location in Alamo Plaza. Still yet to be found was the second location.

Councilmember Saldaña asked for a status of the Alamo Master Plan. Mrs. Lori Houston reported that the City and the General Land Office (GLO) had issued a joint RFP and were in the selection process. She noted that the Mayor and City Council would be asked to approve an Interlocal Agreement in October and that said document outlined the responsibilities of each entity. A total of \$1 Million was allocated by the City via the 2012 Bond Program and Funding would be matched by the GLO. Mrs. Houston reported that a Master Plan would be presented to the Council in the Summer of 2016 and that additional Funding would be allocated for construction costs in the 2017 Bond Program. At the request of Councilmember Saldaña, Mrs. Houston spoke on the composition of the Master Plan Advisory Committee. She noted that the Committee was currently comprised of 21 City Representatives with 5 Members to be added by the GLO at a later time.

City Manager Sculley provided an overview of the Meetings Scheduled for Wednesday and announced that Compensation and Health Benefits would be presented tomorrow at 2:00 pm.

ADJOURNMENT

There being no further discussion, Mayor Pro Tem Treviño adjourned the meeting at 5:24 pm.

APPROVED



IVY R. TAYLOR
MAYOR

ATTEST:



LETICIA M. VACEK, TRMC/CMC/MMC
CITY CLERK