

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



**FINAL
Meeting Minutes
City Council B Session**

City Hall Complex
105 Main Plaza
San Antonio, Texas 78205

Wednesday, February 10, 2016

2:00 PM

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: 10 - Mayor Taylor, Treviño, Warrick, Viagran, Saldaña, Lopez, Medina, Nirenberg, Krier, and Gallagher

ABSENT: 1 - Gonzales

Mrs. Vacek announced that Councilmember Gonzales was out due to eye surgery.

1. A Presentation on Forefront SA, the community strategic plan for economic development, by the San Antonio Economic Development Foundation and overview of the 2016 SAEDF Economic Development Services Agreement. [Carlos Contreras, Assistant City Manager; Rene Dominguez, Director, Economic Development]

Rene Dominguez introduced Wayne Peacock, Chair of the San Antonio Economic Development Foundation (SAEDF). Mr. Peacock presented a Power Point regarding Forefront SA and spoke of San Antonio's Potential through efforts such as the Tricentennial, San Antonio Missions World Heritage Designation, and Pearl Brewery Development. He stated that they were working on the 5-Year Strategic Plan for

Purposeful Economic Growth led by the SAEDF. He noted that it was supported by the City of San Antonio, Bexar County, and Private Sector Leadership. He mentioned that it was also a collaboration among 16 Community Partners involved in Economic Development.

Mr. Peacock stated that the one collective goal was to propel San Antonio to an economically healthy and prosperous future. Additionally, the focus is to spur innovation and accelerate economic competitiveness industries and workforce of the future. He indicated that the one desired outcome by 2020 was to be recognized as a Best Performing City by the Milken Institute. He outlined supporting goals: 1) Improving the Economic Development Delivery System, 2) Creating Target Sector Clarity, 3) Leveraging the Private Sector, 4) Improving the Rate of Growth in Target Sectors, 5) Optimizing existing resources while growing investment; and 6) Changing the composition of the economy. He highlighted Target Sectors to include Information Technology Information Security, Advanced Manufacturing, New Energy, Aerospace, and Healthcare/Bioscience.

Mr. Peacock spoke of the Economic Delivery System Pillars: 1) Business Attraction, 2) Retention & Expansion, 3) Entrepreneurial Development, 4) Workforce Development, and 5) Collaboration. He mentioned the members of the Coordinating Council to include the Free Trade Alliance, Centro San Antonio, Alamo Colleges, Port San Antonio, and BioMed SA. He highlighted Major Milestones and stated that Success Measures would include an increase in employment in Target Industries, increase in rate of New Entrepreneurs, and improving the awareness and favorable opinion of San Antonio. He noted that there would be continuous improvement through alignment with key stakeholders and regular plan reviews. He added that they would assess the feasibility of a regional approach in the future.

Mr. Dominguez outlined the FY 2016 SAEDF Economic Development Services Agreement. He reported that in FY 2011-2015, there was a public/private partnership between the City and SAEDF with goals of Recruitment, Retention, Marketing, and a Strategic Plan. He reported that in FY 2016, the SAEDF would continue to administer the agreement with the City's Texas/Japan Office and the San Antonio Trade and Investment Strategy. Additionally, metrics will be focused on Target Industries and High-Wage Jobs. He stated the FY 2016 Action Plan Goals within the categories of New Qualified Prospects, Locations/Expansion, New Jobs Created, Payroll, and International Marketing Trips. He noted FY 2016 Enhancements in which the SAEDF will implement Forefront SA by convening Economic Development Stakeholders, and developing and executing tactics with the Industry. He added that they would update Forefront SA and brief the City Council semi-annually on planned and on-going strategies and metrics.

Mayor Taylor thanked everyone for the presentation and recognized Mario Hernandez who was retiring from the SAEDF. She asked of the process that had been utilized to identify his replacement. Mr. Peacock replied that they had convened a Search Committee to include public and private sector representatives. He added that the Search Committee would go through the vetting process and recommend two candidates to interview. Mayor Taylor stated that this was critical work for the community's future and highlighted Entrepreneurial Development and its importance.

Councilmember Treviño asked of the goal to improve the rate of growth in the Target Sectors and changing the composition of the economy. Mr. Peacock replied that they would look at the way that basic Industry Jobs were distributed and stated that there was an opportunity to greatly increase the concentration of Technology Based Jobs. Councilmember Treviño spoke of the importance of Arts & Culture, Music, and Performing Arts to the Hispanic Culture and stated that it was necessary to support these Target Sectors.

Councilmember Viagran highlighted the Business Recruitment and Expansion Program and asked of the participation of School Districts on the Coordinating Council. Mr. Peacock replied that they were a major part of the SA Tech Initiative which they hoped to incorporate into the larger discussion. He noted that the Plan focuses on certifications based on Target Industries. Councilmember Viagran highlighted the San Antonio Trade and Investment Strategy and stated that they should look at the incentives and increasing the starting wage. She asked of the agreement with SAEDF. Mr. Dominguez stated that this was a one-year agreement and that they would look at a longer agreement with metrics in the future.

Councilmember Warrick asked of specific goals that should be met prior to the next review. Mr. Peacock replied that they would provide traditional metrics but also identify specific initiatives within Target Industries. Councilmember Warrick asked how they were ensuring that the least educated San Antonians were not being left behind. Mr. Dominguez replied that there was a great opportunity within the Targeted Industries and noted that there were Training Programs available for this population. Councilmember Warrick asked of generating growth in the Urban Core. Mr. Dominguez replied that it was a part of the Incentive Program and luring companies to target areas.

Councilmember Gallagher spoke of the importance of bringing Military Missions to the Installations in San Antonio and encouraging entrepreneurship. Councilmember Saldaña stated that it was importance to focus on Education and requested that they strengthen educational partnerships.

Councilmember Krier asked if San Antonio had enough financial assets with regard to

Economic Development. Mr. Peacock stated that they needed \$5 Million per year to operate the SAEDF to its fullest potential. He noted the importance of support from the City of San Antonio and Bexar County, as well as leveraging the Private Sector. Councilmember Krier asked of San Antonio's Competitiveness with other Texas Cities. Mr. Mario Hernandez stated that SAEDF was very competitive due to its combination of Local and City Incentives.

Councilmember Medina concurred with Councilmember Saldaña on Educational Partnerships and asked how they could be strengthened. Mr. Peacock replied that Educational Universities could be economic generators and that there was work occurring with Incubator Concepts at UTSA. He stated that all of the Universities should be visible and part of the economic generator moving forward. Councilmember Medina asked of the involvement of Project Quest. Mr. Dominguez replied that they played a critical role in their Plan and were a major component of the SA Tech/SA Works Initiative.

Councilmember Nirenberg thanked all for their work and stated that the S.A. Tomorrow integration effort would be critical. He asked of the Economic Development Incentives that they would be looking at. Mr. Dominguez replied that they had a joint incentive process with Bexar County and the guidelines were very similar. He noted that they had different goals but would work to create alignment with their policies.

Councilmember Lopez stated that he had the pleasure of working with the SAEDF over the last few years while serving on the Economic Development Council Committee. He spoke of the importance of selling San Antonio with consistency and coordination with the Free Trade Alliance.

Mayor Taylor thanked everyone for the presentation.

2. A Briefing on the FY 17 and FY 18 Human and Workforce Development Services Consolidated Funding Process. [Maria Villagomez, Assistant City Manager; Melody Woosley, Director, Human Services]

Melody Woosley presented a Power Point outlining the FY 2017 and FY 2018 Human and Workforce Development Services Consolidated Funding Process. She reported that in FY 2016; 65 agencies were funded for 104 programs. She outlined the Agency Match Requirement noting that funding of less than \$1 Million requires a 50% match while funding of \$1 Million or more requires a 35% match. She highlighted the investments made in FY 2016 by Category. She provided an overview of the Funding Process in which the Applications and Evaluation would occur from April through July and

recommendations made with the Proposed Budget in August.

With regard to communication, Ms. Woosley stated that agencies could continue to communicate on issues related to day-to-day business functions. However, agencies would not be allowed to lobby for Program Funding during a designated time frame. She noted that in 2014, the Non-Communication Period was March through September and that there was an option to reduce that from July through September for 2016. She added that two Budget Hearings would be held after the Proposed Budget presentation. She mentioned that they would designate \$5.86 Million to Haven for Hope through an Operating Agreement and the Center for Health Care Services through an Interlocal Agreement. Additionally, they will designate \$2.74 Million through Interlocal Agreements with 8 School Districts with funding based on a Per Student Formula. She added that they would set aside \$250,000 for New Agencies. She highlighted the Policy Recommendations to Realign the Investment Categories and requested Policy Direction from the City Council regarding the amount to allocate to each category. She stated that there would be 12 Panel Evaluation Committees that would review and evaluate proposals based on Experience, Qualifications, Proposed Plan, and Funding Budget. She noted that Applications were due May 2, 2016 and the Potential Non-Communication Period could occur from July through September.

Mayor Taylor thanked staff for their work on refining the Consolidated Funding Process over the past few years. She spoke in support of funding for Workforce Development and expressed concern with the continual funding of various agencies. She asked of other cities that provide this level of funding for agencies that provide these services. Mrs. Sculley replied that several years ago they had conducted a survey of comparative cities in the Southwest and San Antonio was the only one that provided General Funds to support Social Service Agencies. Mayor Taylor stated that she was supportive of funding for Haven for Hope and the After School Challenge Program and would like to see additional funding for Literacy.

Councilmember Gallagher expressed concern with the use of General Funds and the amount allocated. He asked of a Sundown Clause or Best Practice on when to stop funding certain agencies. Ms. Woosley replied that they were not aware of a city that had a sunset or requirement to become sustainable overtime but would continue to research Best Practices at the Federal Level. Councilmember Gallagher stated that he was not supportive of reducing the Non-Communication Period for delegate agencies.

Councilmember Krier asked if the San Antonio Symphony or San Antonio Zoo were included in this process. Ms. Woosley replied that the Symphony was funding through Arts and Cultural Funds which had a separate Request for Proposal (RFP) Process for Arts

Agencies. Mrs. Sculley stated that the Zoo was funding through the Hotel Occupancy Tax and not the General Fund. Councilmember Krier referenced a previous discussion amongst the City Council regarding funding agencies for three consecutive years and then not being able to apply for a year. Mrs. Sculley replied that the policy had been discussed but not adopted by the City Council. Councilmember Krier expressed concern with continual funding for various agencies.

Councilmember Viagran stated that she would like to see the total amount of City Funds that agencies were receiving from various funding sources. She asked if delegate agencies were interviewed by the panels reviewing the applications. Ms. Woosley replied that due to the amount of applications received; they had not interviewed agencies in the past but could look at doing so in the future. Councilmember Viagran expressed support of reducing the Blackout Period from July to September and for funding allocated for new agencies.

Councilmember Warrick expressed support for funding for Workforce Development and requested a ranking of agencies with the dollar amount allocated for each agency.

Mayor Taylor excused herself from the meeting and Mayor Pro Tem Saldaña presided.

Councilmember Nirenberg stated that the needs of the community had increased and that it was important to properly invest limited dollars to delegate agencies. He noted that although he did not feel that they could decrease the funding for delegate agencies, there could be a focus on the institutional health of the organizations. He added that he was supportive of reducing the Non-Communication Period to better communicate with the agencies and asked that they be held accountable with regard to how their funding is spent.

Mayor Taylor re-entered the meeting.

Councilmember Medina stated that it was important to ensure that there was no duplication in services and maximize the funding available. He noted that he was supportive of investing in Workforce Development. Councilmember Saldaña added that they should not follow other cities since they are not doing what San Antonio is doing and expressed support for shortening the Non-Communication Period.

Mayor Taylor thanked staff for the presentation and stated that she looked forward to the results of the survey.

EXECUTIVE SESSION

Mayor Taylor recessed the meeting into Executive Session at 4:52 pm for discussion on the following:

- A. Deliberations regarding economic development negotiations and discuss related legal issues pursuant to Texas Government Code Sections 551.087 (economic development) and 551.071 (consultation with attorney).
- B. Deliberate the purchase, exchange, lease or value of real property and discuss related legal issues pursuant to Texas Government Code Sections 551.072 (real property) and 551.071 (consultation with attorney).
- C. Discuss legal issues related to collective bargaining pursuant to Texas Government Code Section 551.071 (consultation with attorney).

RECONVENED

Mayor Taylor reconvened the meeting at 6:00 pm and announced that no action was taken in Executive Session. She addressed Citizens to be Heard.

CITIZENS TO BE HEARD

Mayor Taylor called upon the citizens registered to speak.

Mark Perez expressed concern with the AGE Refining Building at 7811 South Presa and other facilities operating throughout the city without the proper permits.

Michele Durham spoke on behalf of Beat Aids, a local 501(c)(3) and noted the free and confidential services they provide to individuals with HIV/AIDS. She stated that they had received Housing Opportunities for Persons With Aids (HOPWA) Funding for 15 years and would again be requesting funds.

Artman Bland requested assistance with rebuilding his home which was previously torn down due to Code Compliance Issues.

Nazirite Ruben Flores Perez referenced the funding requested by President Obama to address the Zika Virus. He stated that the Pope had been trying to make peace between Mexico and the United States.

Faris Hodge, Jr. submitted written testimony to include newspaper articles on the following topics: Renovation of the AT&T Center, EquestFest providing therapy to children with disabilities, E-Cigarettes, Pope lifts up Hispanics, and Average Global Temperature setting another record. He wrote that one should never stop learning and that child support was

getting out of hand.

City Clerk Vacek announced that Councilmember Krier was not present as he was attending a Homeowners Association Meeting in District 9 where he was the Keynote Speaker.

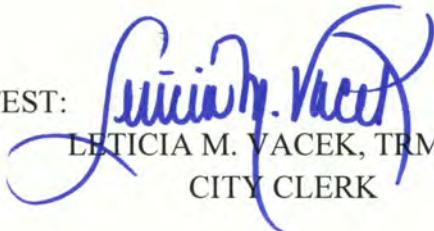
ADJOURNMENT

There being no further discussion, Mayor Taylor adjourned the meeting at 6:19 pm.

APPROVED



IVY R. TAYLOR
MAYOR

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