

**ECONOMIC AND COMMUNITY DEVELOPMENT
COUNCIL COMMITTEE MEETING MINUTES**

JANUARY 7, 2014

10:00 AM

MEDIA BRIEFING ROOM, CITY HALL

Members Present:	Councilmember Ray Lopez, <i>Chair, District 6</i> Councilmember Diego Bernal, <i>District 1</i> Councilmember Ivy R. Taylor, <i>District 2</i> Councilmember Joe Krier, <i>District 9</i>
Members Absent:	Councilmember Rey A. Saldaña, <i>District 4</i>
Staff Present:	Carlos Contreras, <i>Assistant City Manager</i> ; Ray Rodriguez, <i>Assistant City Attorney</i> ; Leslie Haby, <i>Assistant City Attorney</i> ; Jed Maebius, <i>Mayor's Office</i> ; Rene Dominguez, <i>Director, Economic Development Department</i> ; Alex Lopez, <i>Assistant Director, Economic Development Department</i> ; James Henderson, <i>Assistant Director, Economic Development Department</i> ; Adrian Perez, <i>Economic Development Department</i> ; Denice Trevino, <i>Office of the City Clerk</i>
Also Present:	Aaron Sherman, <i>Principal, Stillwater Capital Investments, LLC</i> ; Mitch Paradise, <i>Partner, Stillwater Capital Investments, LLC</i>

Call to Order

Chairman Lopez called the meeting to order.

1. Citizens to be Heard

There were no items addressed by Citizens.

2. Approval of Minutes of the November 5, 2013 Economic and Community Development Council Committee Meeting

Councilmember Krier moved to approve the minutes of the November 5, 2013 Economic and Community Development Council Committee Meeting. Councilmember Taylor seconded the motion. Motion carried unanimously by those present.

3. Briefing and Possible Action on:

a. EB5 Project Briefing [Rene Dominguez, Director, Economic Development]

Rene Dominguez noted that staff briefed the Committee on the EB-5 Program (Program), the Targeted Employment Area (TEA) Certification Process; the existing strategic partnerships between the City and Brooks City-Base Regional Center; and the City and Bexar County at last month's meeting. He noted that Brooks City-Base was designated as a Regional Center in September 2012. He indicated that the steps in the Certification Process were: 1) Sourcing projects; 2) Marketing of the EB-5 Program; 3) Creating process guidelines; and 4) Designating TEAs.

Aaron Sherman stated that the California Military Base (CMB) Regional Center submitted an application for TEA Designation for a 4.2 acre project located just south of Austin Highway on Vandiver Street for a Multi-Family Class A 107 Unit Luxury Apartment Complex.

Mr. Dominguez stated that said project would be located in City Council District 2 and noted that EDD Staff met with Councilmember Taylor and it was deemed appropriate to establish a 25 Unit Per Acre Ratio. He added that all Public Infrastructure was in place and project development was currently in the Funding Phase. He mentioned that in 2011, the Governor delegated the authority to certify an area as a TEA to County Judges and Mayors of Cities or Towns with a population of 20,000 or more, or which lie within a Metropolitan Statistical Area. He noted that the role of the Economic Development Department (EDD) was to evaluate and analyze applications for TEA Designation. He indicated that staff would display due diligence when evaluating and analyzing applications. He stated that the applications recommended by staff for TEA Certification would be forwarded to Mayor Castro for consideration.

Chairman Lopez suggested that the Committee review all requests for TEA Certification for an initial period, followed by review of only those projects that varied from the established process.

Councilmember Krier asked of the City's incentive for processing said requests. Adrian Perez replied that the EB-5 Program was a pathway to U.S. Citizenship for Foreign Investors. He stated that participation in the Program required investors to provide capital for job generating ventures for a period of no less than two years. He noted that the United States Citizenship and Immigration Service administered the EB-5 Programs through approved Regional Centers. He added that an investor could meet EB-5 Program investment requirements with a minimum investment of \$500,000 for projects within a TEA. He stated that areas which have an Unemployment Rate of 150% of the National Unemployment Rate qualify for certification as a TEA. He added that an investment of \$1 million dollars would be required when establishing projects outside of a TEA.

No action was required for Item 3a.

a. Briefing on the 2012-2013 SBEDA Annual Report [Rene Dominguez, Director, Economic Development]

Rene Dominguez distributed a draft of the 2012-2013 Small Business Economic Development Advocacy (SBEDA) Annual Report (Report) to Committee Members. He stated that the SBEDA Ordinance became effective on January 1, 2011.

Alex Lopez stated that the initial SBEDA Report was released in September 2012 and explained the key differences in the operation of the SBEDA Program (Program), and established benchmarks by which to measure accomplishments of the Program. She provided background information on the Program, and reviewed the Report Data from June 1, 2012 to September 30, 2013. She noted that the Small Business Advocacy Committee (SBAC) suggested that data be provided to the Community on a regular basis. She reported that as a result; the SBEDA Dashboard (Dashboard) was created and went live on the Economic Development Department Website in April 2013. She stated that the Dashboard contained monthly and year-to-date reports documenting the utilization of Small, Minority, and Women-Owned Businesses (SMWBEs). She compared last year's data with the current data. She mentioned that said data would be utilized to improve the effectiveness of the Program. She noted that the Report highlighted companies who have participated in the Program and provided information on: 1)

Café Commerce; 2) The Disparity Studies; 3) The Aspirational Goals for Fiscal Year 2014; 4) Conducting business with the City of San Antonio; and 5) The process for certifying a business.

Councilmember Krier inquired if the City and County had partnered in said program. Ms. Lopez replied that they had not due to the differences in their programs. She noted that one certification agency existed for both and a Registration System for both was in the development phase.

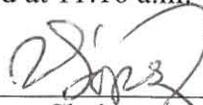
No action was required for Item 3b.

4. Executive Session

Chairman Lopez recessed the meeting into Executive Session at 11:16 a.m. He reconvened the meeting at 11:16 a.m. and announced that no action was taken in Executive Session.

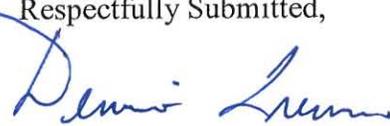
5. Adjourn

There being no further discussion, the meeting was adjourned at 11:16 a.m.



Ray Lopez, Chairman

Respectfully Submitted,



Denice Trevino
Office of the City Clerk