

SPECIAL MEETING OF THE CITY COUNCIL
OF THE CITY OF SAN ANTONIO, HELD IN
THE COUNCIL CHAMBER, CITY HALL, ON
FRIDAY, FEBRUARY 19, 1993.

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93-08 This is a special joint meeting of the City Council and County Commissioners of Bexar County, Texas.

93-08 The meeting was called to order by the Presiding Officer, Mayor Nelson W. Wolff, with the following members present: PEREZ, PIERCE, BILLA BURKE, WING, SOLIS, AYALA, VERA, LABATT, LARSON, WOLFF. Absent: THORNTON.

93-08 The meeting of the County Commissioners of Bexar County, Texas was called to order by County Judge Cyndi Taylor Krier, with the following County Commissioners present: COUNTY JUDGE KRIER; PAUL ELIZONDO, PRECINCT 2; HELEN DUTMER, PRECINCT 4. Absent: WALTER BIELSTEIN, PRECINCT 3.

93-08 Mayor Wolff spoke to the presence in Council Chambers today of the Hon. Henry Cisneros, Secretary of the Department of Housing and Urban Development. He then spoke to the purpose of today's joint meeting and recognized Dr. Cisneros.

Judge Krier spoke to the need for the federal government to work closely with both state and local governments.

Dr. Cisneros highlighted his proposed presentation on President Clinton's economic plan and how that plan is expected to impact upon San Antonio and Bexar County. He took note of this first formal joint meeting of City Council with the County Commissioners of Bexar County, Texas, as being historic.

Dr. Cisneros then briefly explained the genesis of the plan, including the need for jobless recovery, control of the nation's deficit, and the people's desire for a change. He noted that this overall plan has three key points of stimulus: an economic stimulus of some \$30 billion; an investment package; and deficit reduction.

He then addressed details of the economic stimulus package, which includes some \$2.5 billion in Community Development Block Grant funding designed to create jobs quickly as a rapid infusion into the nation's economy, selecting projects which will result in long-term investment.

Dr. Cisneros at this time distributed copies of an Analysis of Supplemental \$2.536 Billion CDBG FY 93, noting that some \$12.6 million is earmarked for San Antonio and \$1.5 million for Bexar County. He reiterated that CDBG projects, to be eligible, must meet the criteria of immediate start, in order to make a dent in unemployment rates.

A second HUD-related area for attention was identified as Supportive Housing for the Homeless, with a nationwide allocation of some \$423 million. He noted that non-profit agencies, as well as governments, could apply for these funds, including housing providers, mental health providers and substance abuse program providers. He further stated that he could envision a combined San Antonio/Bexar County grant application for these funds, in the probable amount of about \$1 million for this area.

Dr. Cisneros also singled out two additional packages which will become more active: the HOME program, a block grant program for housing, for which he sees a San Antonio area grant application; and Public Housing Modernization. He also addressed several other stimulus areas in the overall national economic plan, including rural initiatives and tax credit initiatives.

A second major area of the overall economic plan is the Tax Investment Package, involving re-prioritization of the national budget. A copy of the program is outlined in the brochure entitled "A New Direction", a copy of which is on file with the papers of this meeting. Dr. Cisneros spoke to the need to shift priorities in the national budget from the military to other areas of concern, including social areas and infrastructure work. He then spoke to the need for tax credits for small businesses and improved Enterprise Zones.

Dr. Cisneros then outlined the third major area of the plan, Deficit Reduction, and noted that the President has promised to cut the current deficit in half with a two-part program of spending cuts and increased revenues. He then spoke in detail to both areas, highlighting defense cuts, government personnel reductions, overhead reductions, cutting perks, a freeze in federal pay, and health care costs as examples of spending cuts to be initiated. As to new revenues, Dr. Cisneros identified such areas as raising the top rate in the income tax, corporate tax rates, and an energy tax to be assessed per BTU yield.

Mayor Wolff expressed his appreciation for Secretary Cisneros' remarks and briefly addressed what he considers the City's top priorities, including additional funding for the Head Start Program; more job training funds; greater law enforcement mechanism; aid to small business; Enterprise Zones; and other HUD-related areas. He noted that the City of San Antonio already is moving on new grant applications for CDBG project funding, noting that Councilman Perez will provide leadership in this area. He then asked Councilman Labatt to coordinate city-county efforts in areas dealing with the homeless, while Commissioner Elizondo will be asked to take the lead in mental health issues. He then asked City Manager Briseno to work on a report tying together all entities working with housing issues, including San Antonio

Housing Authority, San Antonio Development Agency, Housing Trust, etc., speaking to the need for help in public housing efforts in this area.

Dr. Cisneros spoke to an infusion of some \$1.5 million for Bexar County immediately, and addressed how these new initiatives may affect both city and county, by program. He then distributed copies of a statewide CDBG funding list, noted previously.

Judge Krier offered several suggestions for federal assistance in order to make local programs work better.

A discussion then took place concerning several individual programs.

In response to a question by Commissioner Dutmer, Dr. Cisneros noted that, under terms of the President's economic plan, cuts in federal personnel will be made by attrition.

Commissioner Dutmer noted that many areas will have to be addressed, including health insurance.

Dr. Cisneros spoke to plans for initiatives for health care reform in President Clinton's economic plan.

Commissioner Elizondo stated that he is happy to hear about initiatives for the homeless, especially the mentally-disabled homeless, noting that many of the nation's homeless have mental health problems. He stated his belief that mental health centers are vital and need funding assistance. He then submitted to Dr. Cisneros several papers covering the mentally-ill and housing.

Judge Krier also noted that letters reflecting the views of both Commissioner Tejeda, who has had to leave today's meeting, and Commissioner Walter Bielstein, who is out of town, have been given to Ms. Shirl Thomas, Special Assistant to Dr. Cisneros.

Dr. Cisneros spoke to both the power and respect for Congressman Henry B. Gonzalez in Washington, D.C., and noted that having a local structure in place is vital to securing the necessary federal funding. He further stated that he is confident that President Clinton's stimulus package will be enacted into law by the Congress, and urged San Antonio to be ready to take advantage of it.

Mr. Labatt spoke in favor of several initiatives already taken by the new administration in Washington, and stated his belief that federal hiring must be curtailed. He spoke to the need to 'get a handle' on health care reform, and expressed his belief that the first priority must be to reduce the nation's deficit. He further stated his belief that the nation must spend any new revenues from the plan in promoting economic growth, and again urged more federal cutbacks.

Mr. Larson spoke to his concern with the proposed cuts in San Antonio's military, and addressed the possible negative impact of some

announced taxes that adversely affect small business. He spoke to the need to make cuts in the federal budget first, then effect any new taxes.

Dr. Cisneros expressed confidence that President Clinton will be tough on federal budget cuts and addressed the need for a new military structure, in light of the demise of Soviet communism.

Ms. Vera stated her belief that the American people have mandated a change, and she feels that President Clinton is responding. She also expressed confidence that San Antonio's concerns are being heard, with Dr. Cisneros a key advisor to the President. She noted that CDBG improvements have been the key to San Antonio's infrastructure progress in recent years and spoke in support for assistance to the people. She also suggested a closer look at CDBG guidelines.

Mr. Pierce addressed the need for senior citizen housing and to need to retain young minorities in the inner-city via affordable housing. He also addressed the need for help for small businesses.

Dr. Cisneros asked for data that will help the federal government target minority small businesses.

Mr. Solis spoke to improvements made to San Antonio via CDBG funding, and spoke in support for the President's program.

Mr. Nieto spoke to his desire that Defense Department cuts will be kept to a minimum, and he spoke in support for many of the announced initiatives.

Ms. Ayala spoke to the need for more preventative health care initiatives and voiced her concern with the need for several moves to make housing more affordable. She handed Sec. Cisneros a list of suggestions to consider in this regard, and discussed a number of recommended moves in affordable housing.

Dr. Cisneros, in conclusion, stated that he feels that 1993 may be a 'boom year' in the housing industry.

93-08 There being no further business to come before the Council,
Mayor Wolff and Judge Krier declared the meeting was adjourned at 3:02
P.M.

A P P R O V E D

William W. Wolff
M A Y O R

Attest: *Anna S. Rodriguez*
C I T Y C L E R K