

ECONOMIC AND COMMUNITY DEVELOPMENT COUNCIL COMMITTEE MEETING MINUTES

TUESDAY, JANUARY 3, 2012

11:00 AM

MEDIA BRIEFING ROOM, CITY HALL

Members Present: Councilmember Elisa Chan, *Chair, District 9*
Councilmember Diego Bernal, *District 1*
Councilmember Ray Lopez, *District 6*

Members Absent: Councilmember Cris Medina, *District 7*

Staff Present: Pat DiGiovanni, *Deputy City Manager*; Ed Belmares, *Assistant City Manager*; Leticia Vacek, *City Clerk*; Rene Dominguez, *Economic Development Director*; Carlos Contreras, *Intergovernmental Relations Director*; Paula Stallcup, *Downtown Operations Director*; Frank Miller, *Aviation Director*; Robert Murdock, *Military Affairs Director*; Ellen Erenbaum, *Aviation Assistant Director*; Mike Etienne, *Capital Improvements Management Services Assistant Director*; Jim Mery, *Convention Sports & Entertainment Facilities Assistant Director*; Ed Davis, *Economic Development Assistant Director*; Leslie Haby, *Assistant City Attorney*; Griselda Sanchez, *Assistant City Attorney*; Ray Rodriguez, *Assistant City Attorney*; Brandon Smith, *Office of the City Clerk*

Also Present: Councilmember W. Reed Williams, *District 8*; Frank Burney, *Martin & Drought*

Call to Order

Chairperson Chan called the meeting to order.

1. Citizens to be Heard

There were no items addressed by Citizens.

2. Approval of Minutes of the December 6, 2011 Economic and Community Development Council Committee Meeting

Councilmember Lopez moved to approve the Minutes of the December 6, 2011 Economic and Community Development Council Committee Meeting. Councilmember Bernal seconded the motion. Motion carried unanimously.

3. Action Items:

- a. Consideration of economic development incentives and sale of 9.37 acres of City-owned land for the Glazer's Distribution expansion project**
Rene Dominguez, Economic Development Director

Rene Dominguez reported that in August 2011, Glazer's Distribution informed staff that they were acquiring Halo Distributing with plans to: a) Build a 500,000 square foot facility; b) Invest over \$32M in real and personal property; and c) create 100 new jobs and retain 350 Glazer's and Halo jobs. Due to this acquisition, he stated that Glazer's had requested:

- ✓ An amendment to the Tax Abatement Agreement to add the additional investment, jobs and change the term start date
- ✓ The purchase of an additional 9.37 acres of City-owned land
- ✓ An increase in the SAWS Impact Fee Waiver to \$400,000

He stated that Glazer's had agreed to an additional \$75,000 donation to the City for redevelopment in targeted areas and was currently negotiating with staff. He noted that Glazer's qualifies for a 10-year 100% tax abatement under Tax Abatement Guidelines and a \$400,000 fee waiver based on investment under the SAWS Impact Fee Waiver Guidelines. He added that the CIMS Director has determined the sales price of \$399,999 for 9.37 acres of City-owned land when combined with a \$75,000 donation meets the Fair Market Value.

Councilmember Lopez spoke in support of the proposed project and requested that staff review the realignment of roads to accommodate additional traffic in the project area.

Councilmember Bernal asked of the nature of the 100 new jobs. Mr. Dominguez responded that that new jobs consist of truck-driving and warehouse/manual labor positions. He stated that all of the new positions meet minimum wage requirements.

Councilmember Lopez moved to forward said item to the full Council for consideration. Councilmember Bernal seconded the motion. Motion carried unanimously by those present.

4. Presentation Items:

- a. Briefing on Proposed Concession Plan for Airport Terminal A**
Frank R. Miller, Aviation Director

Frank Miller reported that the Aviation Department was proposing to utilize a Prime Concessionaire approach in the solicitation for new concessions in five of the 10 locations in Terminal A of the San Antonio International Airport. He explained that in the Prime Concessionaire approach, the airport leases a package of locations to a prime operator who oversees the operation of multiple locations. He stated that the Concession Program has three goals: 1) Provide a mix of national and local concepts for visitors to San Antonio International Airport; 2) Meet or exceed Disadvantaged Business Enterprise (DBE) Goal for Concessions; and 3) Increase Non-Airline Revenue. He noted that staff was requiring that two of the five concessions incorporate local concepts and indicated that the proposed language would be included in the Request for Proposals (RFP). He added that the proposed item would be presented to the full Council in "B" Session in February 2012 and provided the following timeline:

- ✦ Release RFP – 2/2012 – 3/2012
- ✦ RFP Submitted – 4/2012
- ✦ RFP Evaluation – 4/2012 – 5/2012
- ✦ City Council Action to Award – 6/2012

b. Briefing on Implementation of a Customer Facility Charge at the San Antonio International Airport

Frank R. Miller, Aviation Director

Mr. Miller reported that the San Antonio International Airport lacks a centralized location for rental car firms servicing visitors to San Antonio and cited numerous customer complaints. He stated that the Master Plan for the Airport recommended building a consolidated rental car facility (CONRAC) in the next five years. He noted that airports have a financing option, the Customer Facility Charge (CFC), which allows funds to be raised for construction and operation of a CONRAC. Airport-area rental car companies collect a CFC from customers which is then remitted to the airport. He added that rental car companies would pay, as a group, ground rent and operating/maintenance costs for the CONRAC.

Mr. Miller stated that the Master Plan and a separate study identified a location across the terminal buildings for CONRAC and noted that the collection of CFC allows the City to hire a consultant to determine the final location for the CONRAC. The Aviation Department is proposing the implementation of a CFC at the rate of \$4.50 per contract day on rental car transactions at the San Antonio International Airport.

c. Update on the Parking Master Plan

Paula X. Stallcup, Downtown Operations Director

Paula Stallcup provided an overview of the City's Parking System. She stated that the Parking System is an Enterprise Fund which is a self-sustaining fund that covers all expenditures through its revenues. She noted that there was an annual budget of \$8.9M and 94 positions and that the Parking Enterprise Fund does not receive any General Fund support. Ms. Stallcup reported that the City has conducted several parking studies to better understand the downtown parking environment, the first of which was completed by Jacobs Carter Burgess in 2008. She stated that Kimley Horn performed a study in November 2010 to assess how the parking system could be better leveraged to estimate economic development and be better aligned to support larger downtown strategic goals. The study identified the following:

- ✦ Parking System generally a well managed program
- ✦ Lack of attention to facility maintenance and the City's ability to keep up with technology
- ✦ Greater opportunity to affect the desired goals of downtown development by relocating the parking management function to a new proposed downtown organization

Councilmember Bernal expressed concern with rate increases and cited public dissatisfaction with downtown parking. He requested further discussion regarding parking rates and the purpose of relocating parking management to a new organization.

Chairperson Chan spoke of the effect of the VIA Transportation Study and scheduling a future presentation to the Committee.

Councilmember Williams spoke of decreasing Downtown parking rates and the use of the proposed Downtown Circulator.

5. Discussion Items

a. ECDC Policy Issues, Goals and Strategies Action Plan

Pat DiGiovanni provided an overview of the three areas of focus identified by the Committee regarding Policy Issues, Goals and Strategies Action Plan to include: 1) Industry Clusters; 2) Small Business; and 3) Student Housing Strategy for Downtown. Mr. Dominguez outlined a two-phase approach to develop the 2012 Policy Priorities. He stated that said priorities would consist of research and data gathering to appropriately develop action plans (Phase 2). He noted that progress would be tracked and reported to the Committee.

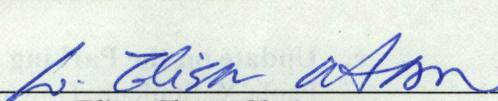
Chairperson Chan recessed the meeting into Executive Session at 11:04 a.m. She reconvened the meeting at 11:24 a.m. and announced that no action had been taken.

6. Consideration of items for future meetings

There were no items discussed.

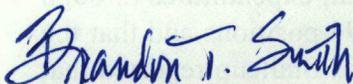
7. Adjournment

There being no further discussion, the meeting was adjourned at 11:24 a.m.



Elisa Chan, Chairperson

Respectfully Submitted,



*Brandon T. Smith
Office of the City Clerk*