

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

TUESDAY, MARCH 6, 2012

9:00 AM

MEDIA BRIEFING ROOM, CITY HALL

Members Present: Councilmember Elisa Chan, *Chair, District 9*
Councilmember Diego Bernal, *District 1*
Councilmember Ray Lopez, *District 6*
Councilmember Cris Medina, *District 7*

Members Absent: None

Staff Present: Pat DiGiovanni, *Deputy City Manager*; Ed Belmares, *Assistant City Attorney*; James Henderson, *Office of Military Affairs*; Rene Dominguez, *Economic Development Director*; Mark Brodeur, *Center City Development Director*; Troy Elliott, *Finance Director*; Casandra Matej, *CVB Director*; Jim Mery, *Downtown Operations Interim Director*; Ed Davis, *Economic Development Assistant Director*; Charles Pruski, *Metro Health Assistant Director*; Alejandra Lopez, *Economic Development Assistant Director*; Lori Houston, *Center City Development Assistant Director*; Steve De La Hoya, *CVB Assistant Director*; Jed Maebius, *Office of the Mayor*; James Henderson, *Economic Development Manager*; Adrian Perez, *Economic Development Manager*; Camila Kunau, *Assistant City Attorney*; Ray Rodriguez, *Assistant City Attorney*; Nancy Reyes, *Assistant City Attorney*; Carri Wiggins, *Office of the City Clerk*; Brandon Smith, *Office of the City Clerk*; Martha Lambaria, *Office of the City Clerk*

Also Present: Don Jakeway, *Brooks Development Authority*; Bart Sanchez, *Brooks Development Authority*; Frank Garza, *Brooks Development Authority*; Paul Jimenez, *Hispanic Chamber*; Manuel Palaez, *Brooks Development Authority*; Tom Shaw, *SSACC*

At this time, the Committee addressed Item 4.a.

4. Presentation Items:

a. EB-5 Brooks Development Authority Briefing

Rene Dominguez, *Economic Development Director*; Don Jakeway, *Brooks Development Authority*

Don Jakeway, *Brooks Development Authority (BDA)* provided a briefing on the EB-5 Regional Center and noted that professionals had been identified to assist with the implementation of the Program.

Chairperson Chan stated that the EB-5 Regional Center was very well received in China and added that there were challenges with the Center's credibility. At the request of Chairperson Chan, it was noted that Brooks City Base would manage the Program.

Mr. Bart Sanchez, CFO of BDA presented the model. The model provided an overview of the 3 Projects submitted totaling \$48 to \$50 Million in improvements. He clarified that said Projects were also referred to as Road Projects. Mr. Sanchez added that the Projects counted as indirect induced jobs and that staff was ready to proceed with the Projects upon approval of the application. A second infrastructure model on the renovation of buildings was presented. Mr. Sanchez noted that the model indicated that buildings with renovations totaling \$10 million would be leased out for cash flow after approximately 2 years.

Chairperson Chan asked of the return rate. Mr. Sanchez reported that the market rate was 1 to 2% return for Governmental Entities with a return on Road Projects of 4 to 4.5%.

Chairperson Chan asked if a downtown parking garage could be built as it would be a good source of revenue. In response to Chairperson Chan, Mr. Jakeway responded in the affirmative and noted that other Regional Centers had built garages.

Mr. Jakeway stated that the BDA was requesting assistance from the Free Trade Alliance. In addition, BDA was requesting that the City provide an EDIF grant of up to \$49,000 for a new staff support person to assist with promoting the new Brooks Regional Center.

Councilmember Lopez suggested that said Proposal be sent to IGR for further discussion.

Call to Order

Chairperson Chan called the meeting to order and roll call was taken.

1. Citizens to be Heard

There were no items addressed by Citizens.

2. Approval of Minutes of the February 7, 2012 Economic and Community Development Council Committee Meeting

Councilmember Lopez moved to approve the Minutes of the February 7, 2012 Economic and Community Development Council Committee Meeting. Councilmember C. Medina seconded the motion. Motion carried unanimously.

3. Action Items: None

- a. **Consideration of the addition of two Business Community/Chamber Positions to the Convention & Visitors Commission, a future categorical changed of an existing position from General Community to a third Business Community/Chamber position, and to implement term limitations for Convention and Visitors Commission members who are appointed at-large**

Cassandra Matej, Convention & Visitors Bureau Director

Cassandra Matej provided a brief overview of the proposed changes to the Commissions categories. She noted that the change to the Commission's composition would positively impact local economic development as there would be a stronger business presence. Ms. Matej explained that the Business Community/Chamber position would be filled on a rotational basis from the membership of six local Chambers of Commerce. She detailed the process to be utilized in filling the positions, terms of office, and overall benefits of using said system.

Also recommended was the implementation of term limits for At-large positions. Ms. Matej stated that said change would result in increased community involvement and creativity.

Chairperson Chan spoke in support of the proposal to implement term limits. She highlighted that individuals would be allowed to return to the Commission after sitting out 1 full term.

Councilmember Lopez asked for clarification regarding involvement from the Chambers of Commerce in soliciting representatives. Ms. Matej spoke on the role played by the Chambers and their willingness to assist in identifying individuals to serve on the Commission.

Councilmember Lopez moved to approve the recommendations. Councilmember Medina seconded the motion. Motion carried unanimously.

b. Current Foreign Trade Zones program and proposed transition to the New Alternative Site Framework

Rene Dominguez, Economic Development Director

Mr. Dominguez noted that the Department was in the process of reviewing Program processes in order to be more efficient.

Ed Davis provided an overview of the Foreign Trade Zone (FTZ) Program, benefits of participating in the Program, and associated Program mission. It was noted that the Economic Development Department (EDD) managed 10 General Purpose sites with marketing services provided by the Free Trade Alliance. At the request of Chairperson Chan, Mr. Davis provided examples of amenities businesses would need in order to operate at the site. Mr. Davis highlighted businesses participating in the Program.

Mr. Davis continued by speaking on the changes being proposed via the Alternative Site Framework (ASF) and the benefits said changes would have for both the City and businesses. An overview of next steps to be taken was discussed.

Mr. Davis noted that EDD was also requesting that the Committee approve a recommendation granting the City Manager authority to execute Agreements. He provided benefits of said administrative change and noted that it was consistent with business practices conducted by other entities.

Mr. Dominguez reiterated the benefits of implementing ASF.

Chairperson Chan requested clarification on the number of sites available to the City to manage. Mr. Davis responded that boundary modifications would need to be made to one site in order to accommodate a new request as only 10 sites are available. It was noted that a boundary change could take up to 12 months to be approved.

Mr. Dominguez explained that the Program was based on acreage rather than number of sites being managed and operated. He continued by stating that 3 business were active while 7 had been inactive for several years. With the implementation of the ASF, EDD would be able to "sunset" inactive business thus allowing space for new businesses to operate.

At it relates to the location of FTZ sites, Mr. Davis stated that all of Bexar County was designated as a service area under the ASF.

Chairperson Chan requested information on the criteria utilized by the City for activating sites for the FTZ Program. Criteria used included site location, number of sites managed by the City, and total number of acres managed. Mr. Davis stated that in the future, the City would be limited to a total of 6 sites it could manage. However, the number of acres to be managed would increase from 7 to 2000.

Mr. Davis stated that with the implementation of ASF, the City would transition all 10 sites to magnet sites. The process of "sunsetting" magnet sites would begin after 5 years of inactivity while the process for "sunsetting" usage-driven sites would begin after 3 years of inactivity. It was noted that all sites currently managed by the City fall under the 5 year time frame.

At the request of Chairperson Chan, an overview of the changes proposed with the implementation of the ASF was provided.

Councilmember Lopez asked how the inactive businesses were granted an application. Mr. Davis responded that said businesses applied about 15-20 years ago.

Chairperson Chan requested clarification on the recommendation to grant the City Manager authority to sign Agreements. Mr. Davis noted that the administrative change allowed for the City to be more responsive to the needs of the customer as delays in executing contracts would be limited.

Councilmember Lopez moved to approve the recommendations. Councilmember Medina seconded the motion. Motion carried unanimously.

4. Presentation Items:

b. Briefing on (1) Proposed Changes to Chapter 13 of the Municipal Code regarding Mobile Food Courts and (2) Proposed Downtown Mobile Food Truck Vending Pilot Program

Mark Brodeur, Center City Development Office Director

Pat DiGiovanni provided on brief overview of items to be discussed and noted that a similar presentation would be made to the Governance Committee on March 21 with a presentation to the Mayor and Council soon there after. He stated that a Task Force had been created to review Program goals and provide recommendations for implementation.

Mark Brodeur provided a general overview of the findings from the Task Force. He stated that a major finding of the Task Force was that San Antonio was missing an opportunity for economic development in the Downtown area.

Charles Pruski reported that the Health Department regulated all retail food sales through Chapter 13 of the Municipal Code. He provided examples of the various types of food

operations regulated by the department. Mr. Pruski highlighted current health and safety regulations as they relate to mobile food vending. He noted that since food establishments were prohibited from selling food along city streets there were few mobile food establishments operating in the Downtown Business District. Mr. Pruski made reference to an ordinance giving the City Manager authority to establish regulations that would increase mobile food vending in the downtown area.

It was noted that current regulations would restrict the creation of a Mobile Food Court. Challenges highlighted include requiring business to leave nightly as the city does not allow for overnight parking; requiring the business each day to dispose of grease and waste properly; and prohibiting a business from operating within a certain distance from another restaurant or convenience store. An exception to this provision was if written permission was received by the neighboring business owner allowing the mobile vendor to operate. Mr. Pruski noted that said permission could be rescinded at anytime.

Other challenges currently faced by Mobile Food Vendors include providing employees with access to restrooms and fresh drinking water; not being able to operate after dark in residential areas; and not being able to provide tables and chairs for customers.

Mr. Brodeur provided a general overview of concerns identified by the Task Force as well as its composition, and charge. He noted that recommendations made by the Task Force include proposing changes to applicable sections of the Municipal Code and Unified Development Code that would encourage mobile vending establishments. It was stated that other factors were being considered to ensure that all issues associated with the development of mobile food establishments were addressed. Mr. Brodeur continued by highlighting regulations that businesses would need to adhere to in order to be compliant and retain their permit.

It was noted that the Pilot Program would begin on May 1 and end on October 31. Mr. Brodeur highlighted criteria to be utilized in selecting vendors and sites of operation. He noted that a Committee would be developed to review applications submitted. Sites to be utilized under the Pilot Program include Milam Park, Travis Park, Maverick Park, the Central Library and Southwest Arts and Crafts Center, and the Annex Parking Lot located across from City Hall.

In regards to conducting background checks on employees, Mr. DiGiovanni stated that the Task Force recommended against the proposal. He stated that more discussion needed to take place on this topic.

Lastly, Mr. Brodeur highlighted next steps to be taken.

In response to Chairperson Chan, Mr. DiGiovanni stated that the five sites in the Pilot Program were fixed locations on public right-of-way and were required to leave each night for health and safety reasons. Chairperson Chan spoke in opposition to mobile vending trucks operating in District 9 but spoke in support of the Pilot Program.

Councilmember Medina spoke in support of the changes being presented as they would promote mobile food establishments. He spoke to the importance of developing synergy with established restaurants in areas surrounding the mobile vendors. Councilmember Medina asked of the possibility of adding a site at Woodlawn Lake.

Mr. Pruski noted that current regulations prohibit mobile food establishments from operating outside of the Downtown Business District. Mr. DiGiovanni noted that City staff would review regulations to see how a site could be added at Woodlawn Lake.

5. Discussion Items

a. ECDC Policy Issues, Goals and Strategies Action Plan

i. ECDC Program Summary and Status Report

ii. 2012 Economic Development Policy Priorities

It was noted that said Items would be addressed at the next meeting.

6. Consideration of items for future meetings

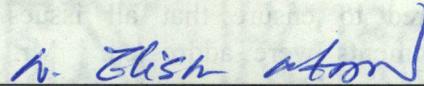
At the request of Chairperson Chan, the Incentive Policy would be discussed at the next meeting.

7. Executive Session

Chairperson Chan recessed the meeting into Executive Session at 10:42 a.m. She reconvened the meeting at 11:25 a.m. and announced that no action had been taken.

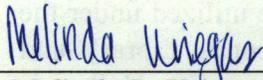
8. Adjournment

There being no further discussion, the meeting was adjourned at 11:25 a.m.



Elisa Chan, Chairperson

Respectfully Submitted,



**Melinda L. Uriegas
Office of the City Clerk**