RR
4/2/15
Item No. 39

AN ORDINANCE 2015-04-02-0239

APPROVING THE FISCAL YEAR 2014-2015 ACTION PLAN OF THE ECONOMIC DEVELOPMENT FOUNDATION; AUTHORIZING THE REALLOCATION OF $90,000.00 TO SAEDF FOR THE ADMINISTRATION OF A CONTRACT FOR THE CITY'S TEXAS/JAPAN OFFICE.

* * * * *

WHEREAS, in 2008, the City of San Antonio (the "City") initiated efforts to enhance its focus on corporate retention and recruitment by creating a Corporate Retention and Recruitment Committee (the "Committee") whose charge was to develop a comprehensive and inclusive plan for the strategic development of San Antonio's economy, with a narrowed focus on developing recommendations for an enhanced economic development structure and workflow and the requirement for a community-wide long range vision and strategic plan; and

WHEREAS, the Committee's recommendations were presented and accepted by the City Council on December 10, 2009 and City staff was directed to begin implementation of the recommendations which included entering into an agreement with the San Antonio Economic Development Foundation (the "EDF"), a private, non-profit organization that assists businesses and industries relocating or expanding into the San Antonio area; and

WHEREAS, the City and EDF agreed upon terms and conditions of a professional services agreement (the "Agreement") which included the development of an annual action plan approved by the respective governing boards of both City and EDF; and

WHEREAS, the attached 2014-2015 Action Plan is being submitted by City staff for approval and upon such approval it shall become Exhibit B of the Agreement; and

WHEREAS, as part of the obligations of EDF under the Action Plan, the City is reallocating $90,000.00 within its Economic Development Department and International Relations Office budgets to EDF to administer an agreement with the City's Texas/Japan Office; **NOW THEREFORE**:

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The 2014-2015 Action Plan of the Economic Development Foundation is approved and shall become Exhibit B of the Professional Services Agreement between the City and EDF. A copy of the 2014-2015 Action Plan is set out as **Attachment I** to this Ordinance.

SECTION 2. Funding for this Ordinance is available as part of the Fiscal Year 2015 budget per the table below.

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4/2/15
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Amount	General Ledger	Cost Center	Fund
$25,000.00	5201040	8002060051	11001000
$65,000.00	5202025	8002770001	11001000
Total Amt $90,000.00			

SECTION 3. Payment not to exceed the budgeted amount is authorized to San Antonio Economic Development Foundation (SAEDF) and should be encumbered with a purchase order.

SECTION 4. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance, may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 5. This Ordinance shall become effective on and after the tenth (10th) day after passage hereof.

PASSED AND APPROVED this 2nd day of April, 2015.

Ivy R. Taylor

M A Y O R
Ivy R. Taylor

ATTEST:

Leticia M. Vacek
for City Clerk

APPROVED AS TO FORM:

Martha G. Sepeda
Acting City Attorney

Agenda Item:	**39**
Date:	04/02/2015
Time:	02:59:48 PM
Vote Type:	Motion to Approve
Description:	An Ordinance approving the FY 2015 Action Plan between the City of San Antonio and the San Antonio Economic Development Foundation (SAEDF); and authorizing the reallocation of $90,000.00 to SAEDF for the administration of a contract for the City's Texas/Japan Office. [Carlos Contreras, Assistant City Manager; Rene Dominguez, Director, Economic Development]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Roberto C. Trevino	District 1		x				
Alan Warrick	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				x
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x			x	
Michael Gallagher	District 10		x				

Attachment I

ACTION PLAN FOR ECONOMIC DEVELOPMENT

October 2014 – September 2015

Presented by the San Antonio Economic Development Foundation

FINAL

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EXHIBIT B: YEAR FIVE ACTION PLAN SAEDF / CITY OF SAN ANTONIO CONTRACT

I. INTRODUCTION

The initial forty eight (48) months of the SAEDF Contract with the City of San Antonio have been very successful and have solidified the delivery system for effective economic development. The year five (5) Action Plan focuses not only on continued improvement in the results, but also on the implementation of the Strategic Plan, local business, and foreign direct investment (FDI). The initial forty eight (48) months have yielded 15,761 new jobs with over 35 percent being high wage jobs.

This Action Plan focuses on the continued recruitment of new job - producing investments (both domestic and international), the success of the local business retention and expansion (BRE) program, and the marketing/imaging of the community for economic development purposes. This year focuses on a number of topics/program areas including:

- Target/Horizon Sectors
- International marketing and targeting
- Incorporating the Export Strategy into the BRE program.
- Implementation and monitoring of the community - wide strategic plan for economic development (Strategic Plan) under the oversight of the San Antonio Strategic Plan Coordinating Council and led by the Mayor and County Judge as outlined in the initial contract/Action Plan/ also reporting the initial results in the third quarter of this year.
- Continued emphasis on sub-goals tied to target/horizon sectors as set forth herein.
- Continued expansion of the BRE Program in terms of meaningful visits and services and technical assistance provided by the team.
- Continue working on a "Super Brand" for the community and providing initial funds

Additionally, for this Action Plan to be successful and for the continued success in attracting and creating job - producing investments, the following items need to be put in place during year five (5) of the contract (Oct. 1, 2014 through Sept. 30, 2015).

- Improved competitive incentive packages for target/horizon sectors, high-skill and high-wage projects.
- New priority incentives for target areas in the city.

- Confidential treatment of all prospects
- Local government policy maintaining a positive business climate.

Finally, during the initial forty eight (48) months of the contract a majority of SAEDF's goals were met or exceeded. The coordination between SAEDF and City staff and leadership continues at a high level, but the confidentiality of business prospects and information remains intact. Confidentiality must be a key consideration and upheld for this Action Plan and any future economic development activities.

II. PURPOSE / MISSION

The Action Plan in year five (5) continues to be a results - orientated plan aligning the resources of SAEDF, the City of San Antonio and other allied partners. The focus continues to be on job producing investments from recruited companies and local businesses. The plan is directly linked to the target/horizon industries of the City. The imaging/marketing of San Antonio as a progressive, well-educated city attractive to business investments is a priority, as is the Super Brand. Additionally, increased activity in foreign investment and the implementation of the community's Strategic Plan and the San Antonio Trade and Investment Strategy are a key emphasis for this year.

SERVICE AREA

For purposes of SAEDF activities funded by the City, services will be delivered for the principal benefit of the area and residents within the boundaries of the City of San Antonio and its ETJ in effect during the contract period. For purposes of SAEDF activities funded by Bexar County, services will be delivered for the principal benefit of the area and residents within the boundaries of Bexar County. The City acknowledges that SAEDF also has obligations to Bexar County and CPS Energy.

SCOPE OF SERVICE KEY DELIVERABLE ELEMENTS

1) Recruit / Retain / Expand business in current targeted/horizon industries and local business clusters with a focus on target/horizon sectors of Transportation Manufacturing (including Aerospace); Healthcare and Biosciences; Information Technology / Information Security; and the New Energy Economy.
2) Provide staffing to implement and monitor the Strategic Plan under the oversight of the San Antonio Strategic Plan Coordinating Council.
3) As needed, research global and national economic trends, growth sectors, and regional competitiveness issues.

4) Implement the FDI portion of the San Antonio Trade and Investment Strategy.
5) Plan, design, and implement coordinated marketing and imaging campaigns.
6) When possible, inform and advise the City of San Antonio and Bexar County on business recruitment, retention and expansion issues, and new opportunities.
7) Provide site selection assistance for prospective companies providing options and information on all areas of the City and, when appropriate, an emphasis on targeted areas of the City and County.
8) Provide reports as specified in Section 2.3c of the City Contract.
9) Along with City Staff, focus resources and identify international/business opportunities.

III. AREAS OF EMPHASIS AND KEY METRICS

Introduction

The scope of work will continue to focus on both the recruitment of new job - producing investments and the retention and expansion of local companies with an emphasis on target/horizon industries as described in the goals set forth herein. During the first four (4) years of the contract, ninety-eight (98) companies announced new plans for investment and jobs that were recruited from outside the San Antonio area or were local companies that expanded.

A. Recruitment

SAEDF will continue to target core business sectors that have a proven track record in the San Antonio region and for which San Antonio's competitive advantages provide a good fit. The Healthcare / Biosciences, Financial and Professional Services Operations, Distribution, and General Manufacturing sectors have well-established infrastructure, supply lines, and labor force pipelines in place to be successful and continue to grow.

Continued diversification toward a more diverse and growth-oriented economy (target/horizon sectors) will add new layers to this already strong foundation through recruitment of knowledge - intensive and innovative firms. In particular, companies in the following sectors show great potential: aerospace, clean technology, renewable energy operations, information technology/information security, as well as R&D facilities, international operations, and headquarter offices and advance manufacturing.

Competing effectively for these operations will be strengthened by favorably aligned local government policies, services, capital investments, education and workforce development, transportation, infrastructure, utilities, financial institutions and real estate

offerings, etc. Coordination will be required to leverage resources, expertise, and assistance appropriately from our City and County leadership and economic development departments, local chambers, trade associations, Alamo Colleges, Workforce Solutions Alamo, Texas Research and Technology Foundation, Texas Workforce Commission, BioMed SA, Free-Trade Alliance, Governor's Office, higher education, media, and many others.

Recruitment activities will place an emphasis on operations that offer a greater proportion of high-skill / high-wage jobs and industry diversification with a focus on target/horizon industry sectors. Aggressive and tailored new incentive packages will be sought through the City and County for prospects considering target locations such as downtown and southern Bexar County. The Strategic Plan and the San Antonio Trade and Investment Strategy has been adopted and will continue to be implemented by SEADF this year, which will help refine domestic and international industry targets. In addition, SAEDF and partners will utilize the Strategic Plan, and develop and define sub-sectors within the business services industry and the supply chains of other sectors for recruitment.

The program will focus on the recruitment of new job-producing investment to San Antonio in our target/horizon industries. As with previous years, SAEDF's efforts shall focus on attracting more companies in our targeted/horizon industries.

- Targeted/Horizon Industries: Healthcare and Biosciences, Transportation Equipment Manufacturing (including Aerospace), Information Technology/Information Security and New Energy Economy industry subsectors as determined by the March 2013 Deloitte Target Cluster SWOT Analysis and Economic Development Scan and the SA2020 Targeted Industries (all other industries being generally referred to herein as "Other Industries").
- Other Sectors: Financial and Professional Services Operations, Distribution, and sectors have well-established infrastructure, supply lines, and labor force pipelines in place to be successful and continue to grow.

Targeting these industries are congruent with the SA2020 goals of increasing the San Antonio's median income and accelerated job growth in STEM industries as well as the County's goals of attracting high-end manufacturing, technology and job creation companies. Moreover, the goal for FY2015 is to move toward more strategic recruitment, including company supply chains within targeted industries and taking advantage of both domestic and international investment opportunities.

The current year quantifiable SAEDF goals include the following metrics:

Metrics	Goal
New Qualified Prospects	
• *New qualified recruitment prospects (Other Target Sectors):*	**78**
• *New qualified recruitment prospects (Target/Horizon Sectors):*	**41**
• *New qualified BRE prospects (Other Target Sectors):*	**7**
• *New qualified BRE prospects (Target/Horizon Sectors):*	**4**
New Qualified Prospects Total:	**130**
Recruitments and Expansions	
• *New company recruitment (Other Target Sectors):*	**12**
• *New company recruitment (Target/Horizon Sectors):*	**7**
• *Company BRE expansions (Other Target Sectors):*	**6**
• *Company BRE expansions (Target/Horizon Sectors):*	**4**
Recruitment and Expansions Total:	**29**
New Jobs Creation	
• *New jobs creation (Other Target Sectors):*	**2,000**
• *New jobs creation (Target/Horizon Sectors)*	**900**
• *New jobs creation through BRE expansions (Other Target Sectors):*	**800**
• *New jobs creation through BRE expansions (Target/Horizon Sectors):*	**300**
New Jobs Creation Total:	**4,000**
New Payroll:*	**$122M**
New high-wage jobs:**	**1,400**

* Payroll as reported by employers less benefits. (Not all companies provide this information).

** High-wage jobs can be reported as either: (1) the number of qualified professional jobs reported in high-wage industries (e.g. advanced business services, aerospace, life sciences, renewable energy, high-tech / IT); or (2) as the percentage of jobs whose earnings are above the county average weekly wage (average for the most recent four quarters) as reported quarterly by the Texas Workforce Commission (currently $45,019). Should data from

the company not be available, and with the agreement of the City, option (2) could be determined using an occupational matrix based on IMPLAN data or from TWC data.

B. Business Retention

SAEDF will allocate a VP and Project Manager position for the coordination and implementation of the Business Retention and Expansion (BRE) program. The primary purpose of the program continues to be to retain and expand local business in key industry clusters and encourage job growth in the local corporate base.

During the fifth (5th) year of the contract, SAEDF will continue to work with our area partners including the City of San Antonio, Bexar County, The Greater San Antonio Chamber of Commerce, The North Chamber of Commerce, the San Antonio Manufacturers Association, CPS Energy and other business organizations that will dedicate resources and staff to assist with BRE meetings.

During the initial forty eight (48) months of the contract, SAEDF had 313 contacts / visits in the BRE Program. In fiscal year 2015, SAEDF will continue to target key business and industry clusters along with the recommendations provided by area partners.

Also a continuing BRE effort will be calling on SAEDF - assisted companies that have located in San Antonio in the past ten (10) years as well as continuing visits to key high - profile local employers. When appropriate and based on availability, these high profile visits will include the participation of City and County leadership.

SAEDF will evolve the BRE program from one based on company visits and capturing local job expansion to a comprehensive program that assesses and improves San Antonio's global competitiveness to support local business retention and expansion.

Corporate Engagement and Retention:

- Criteria: Companies with a headquarter presence in San Antonio or within a target industry or a significant employer.
- Goals: Avoid job loss, capture future growth, become more aware of the industry locally, domestically and globally, establish an early warning system for potential job loss or company relocation, and engage corporate leaders and make them a bigger part of the community.
- Objective: Develop a clearer understanding of the company's position in the San Antonio market, their respective industry and the challenges they are facing (i.e. workforce).

- Metrics:
    - Two headquarter visits to companies in each of the targeted industries and the remaining headquarter visits in non-targeted industries.
    - One CEO-level headquarter visit with the Mayor/Judge.

The metrics associated with this new approach are as follows:

Business Retention & Expansion Metrics	**Goal**
BRE Visits	
• *Corporate engagement & retention visits:*	12
• *Other Target Sectors visits:*	31
• *Target/Horizon Sectors visits:*	25
• *Foreign Owned Companies visits:*	12
Total BRE Visits:	**80**

Engagement, Retention and Expansion:

Criteria: Companies with a presence in San Antonio or within a target industry or a significant employer.

Goals: Avoid job loss, capture future growth, become more aware of the industry locally, domestically and globally, establish an early warning system for potential job loss or company relocation, and identify supply chains for future business recruitment.

Metrics:

- Identification of company supply chains and extent of that supply chain in the region to determine if the supply chain companies could expand to San Antonio.
- Identification of company's main customer
- Technical Assistance provided through the BRE Action Team. This could include City-related services, business start-up or expansion services from Café Commerce or export assistance from the San Antonio Export Assistance Team.
- Outreach to foreign owned companies to determine the location factors for establishing a presence in the community and key factors and technical assistance needed for their retention and expansion.

For fiscal year 2015, our target goal is to visit 80 companies including companies contacted / visited by our area partners. This coordinated schedule of annual visits will serve to express appreciation to key employers and to reassert the commitment of San Antonio and Bexar County to provide a favorable operating environment. Visits will also seek to identify at-risk local operations and any issues affecting the continuation of their business in San Antonio.

BRE Company Survey / Visit

It is SAEDF's goal to gather key information during a personal visit to businesses. When a local company chooses not to participate in a survey, SAEDF or personnel from the BRE Team will provide a brief summary of the contact / visit. The summary will answer basic questions such as:

1. Does the company have plans for future expansion?
2. Is the company experiencing difficulty in the San Antonio marketplace?
3. Does the company have specific recommendations to improve the San Antonio business climate and their particular industry sector?

Outcomes:

The BRE Program has three (3) possible outcomes:

1. To help a local business expand.
2. To address problem areas specific to the company.
3. No action necessary.

Finally, additional positive outcomes from the BRE visitation process can benefit economic development efforts by:

- Assisting SAEDF with the solicitation of opportunities to visit their headquarters to discuss local issues, expansion and / or relocation with their executives.
- Ascertaining their key supply-chain partners for introductions as prospects to also expand or relocate to San Antonio.
- Providing an early-warning detection system that identifies companies that could potentially close or down-size.
- Providing, in partnership with the Free Trade Alliance and the San Antonio Export Assistance Team, export assistance to companies to help them diversify their goods and services markets and revenue.

C. Strategic Plan

San Antonio is competing in a global economy and needs to establish and economic development system that is globally focused and moves beyond traditional economic

development practices of domestic recruitment toward one that embraces a global, regional and strategic vision, fosters public-private collaboration among San Antonio's economic development organizations and business community and is focused on our core industry clusters.

SAEDF will provide staffing for the continued implementation of the community-wide Strategic Plan for Economic Development. SAEDF will finalize the development of an implementation plan for the San Antonio Strategic Plan for Economic Development and implement and monitor the implementation plan under the oversight of the San Antonio Strategic Plan Coordinating Council and the EDF Executive Committee.

Objectives:

- Implementation Plan: Complete an implementation plan for the San Antonio Economic Development Strategic Plan.
- Industry Cluster Focus: Focus on the growth and retention of San Antonio's industry clusters as validated in the Deloitte strategic plan and the San Antonio's Global Cities Initiative Trade and Investment Strategy.
- Data Driven Strategy & Implementation: Instill a strategy development and execution approach based on sound data and research and analysis into San Antonio's economic development vision and goals.
- Economic Development Coordination: Provide greater coordination of staff and resources among the public sector economic development organizations of the City of San Antonio, Bexar County and CPS Energy and private sector economic development organizations such as the Free Trade Alliance to ensure that staff is aligned to San Antonio's economic development goals and priorities.

In FY 2014, the San Antonio Strategic Plan Coordination Council was formed and reviewed the recommendations and prioritized 24 strategies that yielded the highest benefit to the community's economic development efforts. The San Antonio Economic Development Foundation Executive Committee approved the plan and agreed on an implementation process that was presented to the Mayor and County Judge.

To support the FY2015 Action Plan, the Coordinating Council will be responsible for making assignments to lead organizations for each strategy, developing a Memorandum of Understanding to be entered into by the designated lead organization and the Strategic Plan Coordinating Council. The Coordinating Council will report to the community (City and County government) about the progress that has been made in implementing.

D. Foreign Direct Investment

Implement the recommendations from the San Antonio Trade and Investment Strategy to increase foreign direct investment into San Antonio's targeted industries and support local foreign owned firm retention and expansion.

Foreign Direct Investment (FDI) presents opportunities for new job creation and investment for San Antonio. As evidenced by San Antonio's participation in the Brookings Global Cities Initiative, FDI opportunities are truly global and more and more cities throughout the US are targeting FDI opportunities to grow and strengthen their economies. Thus, FDI needs to play a much larger role in San Antonio's economic development strategy.

To meet this challenge, SAEDF will act as the lead implementer of the FDI strategy from the San Antonio Trade and Investment Strategy. As part of this implementation effort, SAEDF will conduct FDI recruitment activities in close collaboration with the City of San Antonio. SAEDF will conduct the following activities to implement the FDI missions:

- Coordinate all logistics to support the FDI mission.
- Coordinate with San Antonio foreign representatives to schedule and facilitate one-on-one and small group meetings with companies in targeted industries.
- Prepare and distribute briefing materials for delegates in preparation for one-one-one meetings.
- Arrange all one-on-one meetings in-country with identified target companies.
- Coordinate all marketing and promotional materials in support of the FDI mission. When appropriate, develop a media campaign highlighting San Antonio as a destination and target campaign through social media, inSA website, trade publications and in-country business-related newspapers.
- Through the BRE program, conduct visits to local foreign owned firms to better understand the factor behind their location or expansion to San Antonio, key supply chain companies and what the community can do to support their retention and expansion.

Following are the metrics associated with FDI.

Foreign Direct Investment Metrics	
	Goals
International Missions:	3
Single Location Promotions in support of Missions:	6
New International Prospects:	12
Foreign Owned Company BRE Visits:	12

To support SAEDF and the FDI goals of the FY2015 Action Plan, the City and County will undertake the following:

- Targeted Industry Intelligence Reports—FDI: The City of San Antonio will prepare Intelligence Reports for international industries and sectors that are targets for FDI growth. The reports will include information about companies to be targeted for recruitment expansion activities by EDF as well as key conferences and industry trade shows for attendance by the City and EDF. Finally, the FDI section of the report will outline marketing tactics to be considered by EDF to raise awareness of targeted industry sector nationally for domestic recruitment and expansion.

- FDI Mission Support: In addition, the City will provide the following support to the FDI missions:
  - EDD: Organize the Single Location Promotion for companies in targeted industries at the US Embassies; and all materials to be included on the USB's used as leave behind materials.
  - IRO: Update and provide itinerary for trip; provide appropriate gifts and protocol support; and country/city background briefing materials.

SAEDC will administer the agreement with Hiro Watanabe and the Texas/Japan Office. As set forth in Section VIII below, the City is responsible for the $90,000 fee under the Consulting Agreement with the Texas/Japan office.

IV. MARKETING

Introduction

During the 2013-2014 contract year, SAEDF continued its collaborative partnership with the City of San Antonio and other partners in all aspects related to marketing San Antonio as a premier market for location and expansion. This includes participation in the SAEDF Marketing Committee where advertising and PR strategies are discussed and new opportunities are identified such as hosting a Site Selector event by pooling partnership resources.

A key focus for 2015 is the continued development of a "Super Brand" to help the community develop a new messaging strategy, which was based on Frost & Sullivan's recommendations that San Antonio move away from solely marketing itself based on industry sector appeal. Instead, Frost & Sullivan advises SAEDF to focus on San Antonio's unique competitive advantages, while also dispelling misperceptions. Frost & Sullivan identified San Antonio's core strengths to be its pro-business governance and growth. In addition, Frost & Sullivan was clear to point out that an opportunity exists to tell San Antonio's education story, as well as other location advantages (low cost to do business, financial incentives, low cost of living, etc.). The Culture of Business positioning line showed the strongest appeal and versatility when communicating San Antonio's assets.

Although the strategy has moved away from an industry-focused message, target/horizon industries remain a priority. For example, media buys in the Business Journals network target newsletters that focus on target/horizon industries sector topics (technology, energy, etc.). As part of SAEDF's public relations strategy, there continues to be a concentrated effort to develop storylines in press releases, blogs and newsletters that also focus on target/horizon industry sectors.

Strategy (2014-2015)

Marketing efforts will continue to focus on San Antonio's unique competitive advantages, while dispelling misperceptions under a common "Super Brand" positioning line. This approach in communicating strong, believable, memorable messages will keep San Antonio top-of-mind with site consultants and C-suite level executives. San Antonio's Strategic Plan for Economic Development will enhance marketing methods. This expanded detail includes refined target sectors and the need to develop messaging that entices these targets to explore the offerings of San Antonio.

Exploratory and developmental ground-work has been laid by SAEDF to unify San Antonio's brand under this Super Brand. This strategic approach for an umbrella brand will provide a multitude of local stakeholders' (SAEDF, CVB, Chamber of Commerce, private sector, etc.) guidance in marketing San Antonio in a consistent manner. Consistent messaging would allow for an improved and more memorable reach of each stakeholder's targets. Plans are to continue the process collaborating with stakeholders to secure participation, develop and finalize messaging guidelines, and then launch the initiative with the assistance of the Mayor's office.

Tactics (2014-2015)

Prospecting events, industry marketing conferences, seminars and other activities that reach potential investors and established networks are vital. The importance of the international markets continues to grow, particularly with an expanded focus on FDI. Markets of interest include Mexico, Canada, Japan and others. The marketing approach will include 2 or 3 international trips during the year. The approach will also include a site consultants' event that will feature attending a local event. The event will target key location consultants throughout the U.S. that have domestic and international business relationships. The goal of the consultants' event is to educate these professionals on unique San Antonio attributes such as downtown, Port San Antonio, Brooks City Base and cluster industries in the market.

Marketing trips will include a focus on target/horizon sectors. Planned trips for the 2014-15 contract year include the following industry trade shows:

- Aviation MRO Conference
- Green Manufacturing Expo
- ASES National Solar
- Bio International
- Aerospace – NBAA/ Paris Air Show
- Solar Power International
- Marketing trip to Maryland/Washington, D.C. to contact Cyber Security/ IT Companies
  (Note: other trade shows or events may be substituted)

SAEDF will also coordinate activities with the City's CVB to leverage opportunities for meeting with corporate representatives attending conventions in San Antonio and in recruiting conventions.

Marketing aimed at industry sectors by way of distribution channels and PR themes to which we aspire such as the aerospace, healthcare/biosciences, etc. are included, as

well as target marketing related to R&D and headquartered operations of these sectors. We will continue to deliver messaging that focuses on San Antonio's unique competitive advantages, as recommended by the Image Study, utilizing advertising (online, print, etc.) and social media (e.g. SAEDF blog, Facebook, Twitter). The SAEDF website will continue to evolve and be updated. Video testimonials now have a strong presence on the website. Links are sent to prospects, allowing them to hear about San Antonio from their peers. Opportunities to add to the library will be explored. Collateral materials will be updated and designed to coordinate with the Super Brand message. Specialized publications and Web sites aimed at the Horizon Sectors, technology professionals and site consultants will broaden our ability to reach SAEDF targets.

Marketing Goals	**Goal**
Marketing Trips	
• *Target/Horizon Sectors marketing trips:*	**10**
• *Other Target Sectors marketing trips:*	**24**
Total Marketing Trips:	**34**
International Marketing Trips:	**3**
Press Releases:	**18**
National, Trade and Local Pitches:	**220**
Online Activity: *	**6.0M**
Total Audience:**	**120M**

* Online activity is the number of Web impressions by SAEDF.
** Total audience is the total reported circulation / viewers of print, online, TV, and radio outlets for which SAEDF generated media.

V. RESEARCH

During the fourth year of the contract, SAEDF coordinated the San Antonio Strategic Plan for Economic Development conducted by Deloitte Consulting. In the 2014-15 contract year, SAEDF and its stakeholders will focus on the implementation process of the Strategic Plan.

In addition, SAEDF will focus on research update and maintenance of critical data resources. These resources include the following:

- Quarterly Data Collection for the COL index
- Industry Fact Sheets
- Lists for Industry Sectors & Others (corporate headquarters, largest employers, etc.)
- Economic Impact Studies (as needed)
- Industry Goals – Specifically the indicators related to the "Economic Competitiveness" portion of the SA2020 Plan.

With the continued development of SA2020 and the community Strategic Plan for Economic Development, SAEDF will have the opportunity to focus on key sectors that present the best short-term opportunities for growth and impact on the local economy. The ongoing sector specific research will address the following:

1. International and national trends in the sectors
2. Sector growth occupations
3. Primary location factors
4. Degree of compatibility with San Antonio / Bexar County business location factors

VI. CORE BUSINESS SECTORS

- Advanced Manufacturing
- Financial/Professional Services Back Offices
- Manufacturing
- Warehousing/Distribution

VII. TARGET/HORIZON SECTORS/AREA AND REGIONAL APPROACH

- Transportation Manufacturing (including Aerospace)
- Healthcare/Biosciences
- Information Technology/Information Security
- New Energy Economy

VIII. SAEDF / City Contract Budget (Fiscal Year 2014-2015)

Income		
City Contract	$590,000	
Total Income		**$590,000**
Operating Expenses		
Staff Expenses		**$238,000**
Salaries (2 FTEs)	$195,000	
Taxes (FICA, Medicare, FUTA, SUI)	$17,000	
Benefits (Insurance, 401K)	$26,000	
Prospect and Marketing Expenses		**$293,000**
Advertising	$95,000	
Public Relations	$48,000	
Electronic Tools (Web site)	$4,000	
Brochures IPAK & Exec. Summary, etc.)	$4,000	
Consulting(Annual wage study&other studies)	$18,000	
Computer expense / Xceligent / GIS	$10,000	
Prospect expenses	$15,000	
Travel	$9,000	
Japan/Texas Office Agreement	$90,000	
Administrative/Other Expenses		**$59,000**
Trade Association Dues (TexasOne)	$11,000	
Audit / Accounting	$5,000	
Contract Accounting	$2,000	
Rent & Services	$13,000	
Telephone	$3,000	
Postage / Delivery	$1,000	
Supplies	$2,000	
Copying / Printing	$3,000	
PEO	$3,000	
Insurance	$5,000	
Fund Reserves (2%)	$10,000	
Miscellaneous Overhead	$1,000	
Total Operating Expenses		**$590,000**
Net Cash		**$0**

IX. Contract Goals

FY 2015 Goals	Goals
New Qualified Prospects	
• *New qualified recruitment prospects (Other Target Sectors):*	**78**
• *New qualified recruitment prospects (Target/Horizon Sectors):*	**41**
• *New qualified BRE prospects (Other Target Sectors):*	**7**
• *New Qualified BRE prospects (Target/Horizon Sectors):*	**4**
New Qualified Prospects Total:	**130**
Recruitments and Expansions	
• *New company recruitment (Other Target Sectors):*	**12**
• *New company recruitment (Target/Horizon Sectors):*	**7**
• *Company BRE expansions (Other Target Sectors):*	**6**
• *Company BRE expansions (Target/Horizon Sectors):*	**4**
Recruitment and Expansions Total:	**29**
New Jobs Creation	
• *New jobs creation (Other Target Sectors):*	**2,000**
• *New jobs creation (Target/Horizon Sectors)*	**900**
• *New jobs creation through BRE expansions (Other Target Sectors):*	**800**
• *New jobs creation through BRE expansions (Target/Horizon Sectors):*	**300**
New Jobs Creation Total:	**4,000**
New Payroll:	**$122M**
New high-wage jobs:	**1,400**

Business Retention & Expansion	
BRE Visits	
• *Corporate engagement & retention visits:*	12
• *Other Target Sectors visits:*	31
• *Target/Horizon Sectors visits:*	25
• *Foreign Owned Companies visits:*	12
Total BRE Visits:	**80**
Marketing	
Marketing Trips	
• *Target/Horizon Sectors marketing trips:*	**10**
• *Other Target Sectors marketing trips:*	**24**
Total Marketing Trips:	**34**
International Marketing Trips:	**3**
Press Releases:	**18**
National, Trade and Local Pitches:	**220**
Online Activity:	**6.0M**
Total Audience:	**120M**
Foreign Direct Investment	
International Missions:	**3**
Single Location Promotions in Support of Missions:	**6**
New International Prospects:	**12**
Foreign Owned Company BRE Visits:	**12**