

CITY COUNCIL GOVERNANCE COMMITTEE MEETING

March 18, 2004

12:00 p.m.

Municipal Plaza Room 6, Main Plaza

The meeting was called to order at 3:00 p.m. by Chair, Mayor Ed Garza, with the following members present: Council members Perez, Castro, Hall and Schubert

Staff: Terry Brechtel, Christopher Brady, J. Rolando Bono, Ramiro Cavazos; Yolanda Ledesma, Florencio Pena, Martha Sepeda

- I. Approval of the minutes of January 7, 8, 21, and 28, 2004 Governance Committee meetings.

Councilman Castro made a motion to approve the minutes. Councilman Hall seconded the motion. Committee members approved the minutes

II. AGENDA PLANNING RELATED ITEMS

- A. Briefing regarding the application submitted by Drury Southwest, Inc. for Empowerment Zone Bond Financing, as requested by Councilman Roger O. Flores; Presented by Ramiro Cavazos, Director of Economic Development; J. Rolando Bono, Deputy City Manager.

Mr. Ramiro Cavazos, Director of Economic Development presented background information on the EZ Bonds, and explained the revenues, debt service, use of the bonds and the bonding capacity for the City at this time. He added the City was working with HUD to increase the capacity to \$230 million. He also cited the liability should the requirements of the bonds not be met. Mr. Cavazos noted that an amendment to the memo of agreement could be made to increase the capacity to Drury.

Mr. Chris Brady added that \$130 million was needed for the headquarters hotel.

In response to Councilman Perez regarding the capacity, Mr. Cavazos stated that if there is an increase to the census tracts that shows increase in population, that it could be amended, or borrow capacities from other cities who have not used their capacities such as El Paso.

In response to Councilman Castro regarding the Drury Project, Mr. Cavazos stated it was a two-fold renovation of the Alamo National Bank for a 300 unit hotel, meeting space, and improve the walkway space in the Riverwalk area. He added that the owner of the Aztec Theater was seeking investment from Drury to improve the facility, add retail space, and address environmental issues that would be involved. He added that public restrooms would be provided.

Governance Committee

March 18, 2004

Page 2

In response to Councilman Schubert on the increased capacity, Mr. Cavazos stated the goal was to get clear direction for ability to increase capacity, and make every effort to obtain it as soon as possible.

Mr. Rolando Bono added that it would be a 30-60 day time frame to answer definitely.

In response to Councilman Schubert regarding time limit for other cities, Mr. Cavazos stated other cities had till 2009 to utilize the EZ bonds.

City Manager Terry Brechtel stated the focus was to increase the capacity to get back to the \$230 million.

Committee members concurred to have the Council Committee on Economic and Human Development review further.

- B. Briefing concerning the creation of a Development Services Advisory Committee, as requested by Councilman Julian Castro; Presented by Florencio Pena, Director of Development Services; Christopher Brady, Assistant City Manager.

Mr. Florencio Pena, Director of Development Services, spoke to the Council consideration request for the creation of an 11-member Development Services Advisory Committee. He explained the current review process and the Task Force that had met with the City Manager to develop a 90-day plan, the membership on the Task Force and the main points the Task Force was focused on.

Committee members recommended that the Urban Affairs Committee review the request.

Councilman Castro commended the efforts of the Real Estate Council and further spoke to the need for a comprehensive approach to improve Development Services. He cited vested rights, issues involved in the day to day process, emphasized that the Committee approach would be addressed with a diverse perspective, and urged his colleagues to support the Committee approach.

Mr. Richard Allen, UDC Advisory Committee, stated he was unaware of Task Force meetings, and expressed concern on the interpretation of ordinances.

Greater San Antonio Chamber Representative expressed concern in the continued delay of process, noting he was not trying to change rules but to shorten the timeframe of permit process.

Discussion continued on the purpose of the Committee being proposed.

Mayor Garza stated he was not aware of the Task Force, nor who was serving on it. He emphasized the need for consistency and open dialogue with the community.

Ms. Brechtel spoke to the meetings of the Task Force, and its focus, noting that a report would be provided to the Governance Committee upon completion.

Councilman Castro stressed the need to have public input and the need to have proper notification of such meetings.

Councilman Hall stated he was open to broadening the task force.

Ms. Brechtel stated the City Attorney was looking at books on vested rights, work with SAWS and would come back with recommendation to the Governance Committee.

Councilman Hall asked that a report be brought back in 90 days.

Mr. Pena stated the main goals were to identify quantifiable performance measures in terms of due process with plats and permits, what are reasonable time frames, understand decisions on interpretation, noting that vested rights would take more than 90 days.

Ms. Brechtel noted that while there was improvement in the process, there was still a need for a better job with respect to interpretation. She cited the new UDC and the 100 amendments and trying to do this in a timely manner. She recommended the 90 days to move forward with the report, ensuring that proper postings of meetings would be made, and that if Committee was created, the Committee would review the report in 90 days, but she discouraged a two part process.

Committee members voted not to create the Committee as recommended with exception of Councilman Castro.

III. Consideration of scheduling items for future meetings.

Meeting was adjourned at 1:15 P.M.

Mayor Edward Garza, Chairman

**Yolanda Ledesma
Acting City Clerk**