

A RESOLUTION
NO. 2000-04-07

OF THE CITY COUNCIL OF THE CITY OF SAN ANTONIO, TEXAS PROVIDING FOR THE PLANNING, ACQUISITION, ESTABLISHMENT, DEVELOPMENT, CONSTRUCTION, OR RENOVATION OF VARIOUS "VENUE PROJECTS" (THE "VENUE PROJECTS") AS AUTHORIZED BY CHAPTER 334, TEXAS LOCAL GOVERNMENT CODE, INCLUDING THE FOLLOWING VENUE PROJECTS, AND RELATED INFRASTRUCTURE THEREFOR: (A) A "BETTER JOBS" PROJECT TO PROVIDE FUNDS FOR JOB TRAINING, JOB RETENTION AND JOB CREATION, (B) SAN ANTONIO RIVER IMPROVEMENTS ALONG THE INLAND WATERWAY, (C) PROJECTS FOR THE PROMOTION OF DEVELOPMENT OR REDEVELOPMENT AND EXPANSION, INCLUDING COSTS OF ADMINISTRATION AND OPERATION, OF AREA MILITARY BASES CLOSED OR REALIGNED PURSUANT TO APPLICABLE FEDERAL LAW, INCLUDING THE FORMER KELLY AIR FORCE BASE, (D) A MUNICIPAL PARKS AND RECREATION PROJECT TO PROVIDE FUNDS FOR THE ACQUISITION OF OPEN SPACE OVER THE EDWARDS RECHARGE ZONE AND CREEK BASED LINEAR PARKS AND IMPROVEMENTS OR ADDITIONS TO THE MUNICIPAL PARKS AND RECREATION SYSTEM; AND (E) ECONOMIC DEVELOPMENT PROJECTS TO SUPPORT BUSINESSES WISHING TO EXPAND IN, OR RELOCATE TO, SAN ANTONIO, INCLUDING RELATED INFRASTRUCTURE; DESIGNATING EACH VENUE PROJECT AS REQUIRED BY CHAPTER 334; DESIGNATING THE METHOD OF FINANCING TO BE UTILIZED TO FINANCE EACH VENUE PROJECT; CONTAINING OTHER PROVISIONS RELATED THERETO; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE.

* * * * *

WHEREAS, the City Council (the "City Council") of the City of San Antonio, Texas (the "City") desires to provide for the planning, acquisition, establishment, development, construction or renovation of various "venue projects" (collectively, the "Venue Projects") as authorized by, and defined in, Chapter 334, Texas Local Government Code, as amended ("Chapter 334"), which are further described in Section 2 below; and

WHEREAS, pursuant to Section 334.042(d), Texas Local Government Code, as amended, if one or more of such Venue Projects is approved by the voters, the City may use money received from the sales and use tax approved by the voters in connection with such approved Venue Projects to reimburse or pay the costs of planning, acquiring, establishing, developing, constructing, or renovating such approved Venue Projects, pay the principal of, interest on, and other costs relating to bonds or other obligations issued by the City to finance a Venue Project, and pay the costs of operating or maintaining one or more approved Venue Projects; and

WHEREAS, Section 334.021, Texas Local Government Code, requires, and the City Council desires by this Resolution to designate each of the projects identified herein as a "Venue Project" and further requires the City Council to designate the method of financing of each such Venue Project; and

WHEREAS, the City Council is authorized by Section 334.024, Texas Local Government Code to order an election on the question of approving and implementing this Resolution and approving each Venue Project and the method of financing each Venue Project; and

WHEREAS, Section 334.021, further requires the City, before calling such election to send a copy of this Resolution to the State Comptroller, who shall, before the 15th day after the date she receives a copy of this Resolution, (1) perform an analysis to determine if approval and implementation of this Resolution will have a significant negative fiscal impact on state revenue, and (2) provide to the City written notice of the results of the analysis; and

WHEREAS, Section 334.021 further provides that if the Comptroller determines that implementation will have a significant negative fiscal impact on state revenue, the written analysis required thereunder must include information on how to change the resolution so that implementation will not have a significant negative fiscal impact on state revenue; and

WHEREAS, the Section 334.024 provides that if the Comptroller determines under Section 334.022 that implementation of this Resolution will not have a significant negative impact on state revenue, the City Council may order an election on the question of approving and implementing this Resolution; and

WHEREAS, the City Council further desires to authorize and direct the City Manager to forward a copy of this Resolution to the State Comptroller as required by Section 334.022 for her review and analysis as prescribed therein, prior to the City Council's consideration of an order calling an election under Chapter 334; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Resolution was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code; **NOW THEREFORE**

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

SECTION 1. INTENTION TO PROVIDE FOR VENUE PROJECTS. The City Council does hereby adopt this Resolution to provide for the planning, acquisition, establishment, development, construction, or renovation of various venue projects as described herein and to provide for the financing thereof by the imposition of a sales and use tax at the collective total maximum rate not to exceed one-fourth of one percent ($\frac{1}{4}$ of 1%), all as authorized by Chapter 334 and as described herein, upon approval of each venue project and the method of financing thereof by the voters of the City at an election to be called by the City Council.

SECTION 2. DESIGNATION OF EACH VENUE PROJECT. The City Council does hereby designate each of the following projects authorized by Chapter 334 as a "Venue Project" which it hereby declares its intention to finance and to provide for the planning, acquisition, establishment, development, construction, or renovation thereof, all pursuant to authority granted by Chapter 334:

1. A "BETTER JOBS" PROJECT TO PROVIDE FUNDS FOR JOB TRAINING, JOB RETENTION AND JOB CREATION - a/k/a THE BETTER JOBS VENUE PROJECT

The following described Venue Project is to be designated the "*Better Jobs Venue Project*": A "Better Jobs" program to include (i) job training required or suitable for the promotion of development and expansion of business enterprises, (ii) the land, buildings, equipment, facilities, targeted infrastructure and improvements found by the City to be required or suitable for job creation, job retention, and educational facilities, and (iii) other projects related to job training that the City in its discretion determines promotes or develops new or expanded business enterprises. The Better Jobs Venue Project is authorized pursuant to the provisions of Section 334.001(4)(E), Texas Local Government Code, as amended, and Sections 2(11)(A), 4B(a)(2)(A) and 4B(a)(2)(B) of Article 5190.6, Vernon's Texas Civil Statutes, as amended.

2. SAN ANTONIO RIVER AS A DEVELOPMENT AREA ALONG THE INLAND WATERWAY - a/k/a THE SAN ANTONIO RIVER VENUE PROJECT

The following described Venue Project is to be designated the "*San Antonio River Venue Project*": The designation of area along the San Antonio River, within the city limits of the City, as a "tourist development area along an inland waterway," within the meaning of Section 334.001(4)(C), and including the planning, acquisition, establishment, development, construction or renovation of land, buildings, equipment, improvements, and other facilities of such tourist development area. The San Antonio River Venue Project is authorized pursuant to the provisions of Section 334.001(4)(C), Texas Local Government Code, as amended.

3. PROJECTS FOR THE PROMOTION OF DEVELOPMENT OR REDEVELOPMENT AND EXPANSION, INCLUDING COSTS OF ADMINISTRATION AND OPERATION OF CLOSED OR REALIGNED MILITARY BASES PURSUANT TO RECOMMENDATION OF THE DEFENSE CLOSURE REALIGNMENT COMMISSION, INCLUDING THE FORMER KELLY AIR FORCE BASE - a/k/a THE MILITARY BASE CLOSURE AND REALIGNMENT VENUE PROJECT

The following described Venue Project is to be designated the "*Military Base Closure and Realignment Venue Project*": The planning, acquisition, establishment, development, construction or renovation of land, buildings, equipment, facilities, and improvements found by the City, to be required or suitable for the promotion of development or redevelopment and expansion, including costs of administration and operation, of area military bases closed or realigned pursuant to applicable federal law, including the former Kelly Air Force Base, which was realigned pursuant to recommendation of the Defense Closure and Realignment Commission pursuant to the Defense Base Closure and Realignment Act of 1990, as amended, and facilities which are related thereto. The Military Base Closure and Realignment Venue Project is authorized pursuant to the provisions of Section 334.001(4)(E), Texas Local Government Code, as amended, and Section 2(11)(A) of Article 5190.6, Vernon's Texas Civil Statutes, as amended.

4. A MUNICIPAL PARKS AND RECREATION PROJECT TO PROVIDE FUNDS FOR THE ACQUISITION OF OPEN SPACE OVER THE EDWARDS RECHARGE ZONE AND CREEK BASED LINEAR PARKS AND IMPROVEMENTS OR ADDITIONS TO THE MUNICIPAL PARKS AND RECREATION SYSTEM - a/k/a THE PARKS DEVELOPMENT AND EXPANSION VENUE PROJECT

The following described Venue Project is to be designated the "*Parks Development and Expansion Venue Project*": The acquisition of open space over the Edwards Recharge Zone and creek based linear parks and the construction of improvements or additions to the Municipal Parks and Recreation System. The Parks Development and Expansion Venue Project is authorized pursuant to the provision of Section 334.001(4)(D), Texas Local Government Code, as amended.

5. ECONOMIC DEVELOPMENT PROJECTS TO SUPPORT BUSINESSES WISHING TO EXPAND IN, OR RELOCATE TO, SAN ANTONIO - a/k/a THE BUSINESS DEVELOPMENT AND EXPANSION VENUE PROJECT

The following described Venue Project is to be designated the "*Business Development and Expansion Venue Project*": The planning, acquisition, establishment, development, construction or renovation of land, buildings, equipment, facilities, targeted infrastructure, and improvements found by the City to be required or suitable for the promotion of development and expansions of manufacturing and industrial facilities, or found by the City to promote or develop new or expanded business enterprises, including projects to provide public safety facilities, streets, and roads, drainage, and related improvements, demolition of existing structures, general municipally owned improvements, as well as any improvements or facilities that are related to any of those projects. The Business Development and Expansion Venue Project is authorized pursuant to the provisions of Section 334.001(4)(E), Texas Local Government Code, as amended, and Sections 2(a)(11) and 4B(a)(2)(B) of Article 5190.6, Vernon's Texas Civil Statutes, as amended.

SECTION 3. DESIGNATION OF EACH METHOD OF FINANCING EACH VENUE PROJECT. The City Council does hereby designate the following respective methods of financing of each of the following respective Venue Projects designated in Section 2 above:

1. THE "BETTER JOBS" VENUE PROJECT

To be financed by the imposition of a sales and use tax at the maximum rate of one-eighth of one percent;

2. THE SAN ANTONIO RIVER VENUE PROJECT

To be financed by the imposition of a sales and use tax at the maximum rate of one-eighth of one percent (a portion of which tax may be used for the Military Base Closure and Realignment, Parks Development and Expansion, and Business Development and Expansion Venue Projects if such Venue Projects are also approved by the voters);

3. THE MILITARY BASE CLOSURE AND REALIGNMENT VENUE PROJECT

To be financed by the imposition of a sales and use tax at the maximum rate of one-eighth of one percent (a portion of which tax may be used for the San Antonio River, Parks Development and Expansion, and Business Development and Expansion Venue Projects if such Venue Projects are also approved by the voters).

4. THE PARKS DEVELOPMENT AND EXPANSION VENUE PROJECT

To be financed by the imposition of a sales and use tax at the maximum rate of one-eighth of one percent (a portion of which tax may be used for the San Antonio River, the Military Base Closure and Realignment, and Business Development and Expansion Venue Projects if such Venue Projects are also approved by the voters).

5. THE BUSINESS DEVELOPMENT AND EXPANSION VENUE PROJECT

To be financed by the imposition of a sales and use tax at the maximum rate of one-eighth of one percent (a portion of which tax may be used for the San Antonio River, Military Base Closure and Realignment, and Parks Development and Expansion Venue Projects if such Venue Projects are also approved by the voters).

SECTION 4. AUTHORIZING AND DIRECTING CITY MANAGER TO SUBMIT RESOLUTION TO STATE COMPTROLLER.

The City Council does hereby authorize and direct the City Manager to submit a copy of this Resolution to the State Comptroller as required by the provisions of Section 334.022, Texas Local Government Code, for her review and analysis as required by the provisions of such Section 334.022. Upon receipt of notice from the Comptroller that she has determined that implementation of this Resolution will not have a significant negative impact on state revenue, the City Manager is authorized and directed to bring before the City Council for its consideration an ordinance calling an election pursuant to the authority and requirements of Chapter 334.

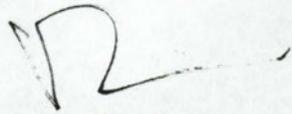
SECTION 5. INCORPORATION OF RECITALS. The City Council hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the City Council hereby incorporates such recitals as a part of this Resolution.

SECTION 6. SEVERABILITY. If any provision of this Resolution or the application thereof to any circumstance shall be held to be invalid, the remainder of this Resolution and the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Resolution would have been enacted without such invalid provision.

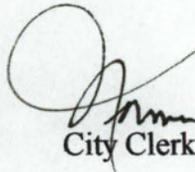
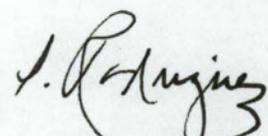
SECTION 7. IMMEDIATE EFFECTIVE DATE. Pursuant to and solely for the purpose of complying with Article II, Section 15 of the City's Charter, this Resolution is hereby passed to be effective immediately upon enactment in order to meet the deadline

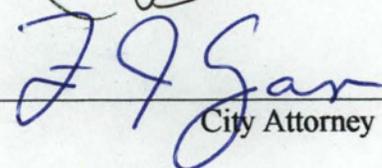
imposed in Section 334.022, Texas Local Government Code. This Resolution shall be effective immediately if at least eight members of the City Council vote in the affirmative for its passage; otherwise this Resolution shall become effective ten days following its passage.

PASSED AND APPROVED this 27th day of January, 2000.



M A Y O R
Howard W. Peak

ATTEST:  
City Clerk

APPROVED AS TO FORM: 
City Attorney

00-04

MEETING OF THE CITY COUNCIL

PUBLIC HEARING & RESOLUTION

7:00 PM
5 VENUE PROJECTS
(CHAPTER 33A)

ALAMODOMA
ASSET MANAGEMENT
AVIATION
BUDGET & EMPLOYEE SERVICES
BUDGET & EMPLOYEE SERVICES - PERSONNEL
BUILDING INSPECTIONS
BUILDING INSPECTIONS - HOUSE NUMBERING
1 CITY ATTORNEY
MUNICIPAL COURT PROSECUTORS
RISK MANAGEMENT
1 CITY MANAGER
CITY PUBLIC SERVICE - GENERAL MANAGER
CITY PUBLIC SERVICE - MAPS & RECORDS
CODE COMPLIANCE
COMMERCIAL RECORDER (PUBLISH)
1 COMMUNITY INITIATIVES
COMMUNITY RELATIONS
PUBLIC INFORMATION OFFICE
CONVENTION & VISITORS BUREAU
CONVENTION CENTER EXPANSION OFFICE
CONVENTION FACILITIES
COUNCIL OFFICES
CULTURAL AFFAIRS
1 ECONOMIC DEVELOPMENT
1 FINANCE DIRECTOR
FINANCE (ASSESSOR)
FINANCE (CONTROLLER)
FINANCE (GRANTS)
FINANCE (TREASURY)
FIRE DEPARTMENT
HOUSING & COMMUNITY DEVELOPMENT
INFORMATION SERVICES
INTERGOVERNMENTAL RELATIONS
INTERNAL REVIEW
INTERNATIONAL AFFAIRS
LIBRARY
METROPOLITAN HEALTH DISTRICT
MUNICIPAL CODE CORPORATION (PUBLISH)
MUNICIPAL COURTS
NEIGHBORHOOD ACTION
1 PARKS & RECREATION
PLANNING DEPARTMENT
DISABILITY ACCESS OFFICE
LAND DEVELOPMENT SERVICES
POLICE DEPARTMENT
GROUND TRANSPORTATION OFFICE
PUBLIC WORKS DIRECTOR
CAPITAL PROJECTS
CENTRAL MAPPING (W/ATTACHMENTS)
ENGINEERING
ENVIRONMENTAL SERVICES
PARKING
REAL ESTATE
SOLID WASTE
TRAFFIC ENGINEERING
PURCHASING & GENERAL SERVICES
SAN ANTONIO WATER SYSTEM
1 GREATER KELLY DEVELOPMENT AUTHORITY

AGENDA ITEM NUMBER: 6
 DATE: JAN 27 2000
 MOTION: Perez Guerrero
 ORDINANCE NUMBER: _____
 RESOLUTION NUMBER: 200-04-07
 ZONING CASE NUMBER: _____
 TRAVEL AUTHORIZATION: _____

NAME	ROLL	AYE	NAY
BOBBY PEREZ District 1		✓	
MARIO SALAS District 2		✓	
DEBRA GUERRERO District 3		✓	
RAUL PRADO District 4		Abstain	
RICK VASQUEZ District 5		-	X
ENRIQUE BARRERA District 6		✓	
ED GARZA District 7		✓	
BONNIE CONNER District 8		✓	
TIM BANNWOLF District 9		✓	
DAVID CARPENTER District 10		✓	
HOWARD W. PEAK Mayor		✓	

00-04

PUBLIC HEARING
TIME CERTAIN
ITEM NO. 6
7:00 AM

CITY OF SAN ANTONIO
CITY MANAGER'S OFFICE
Interdepartmental Memorandum

TO: Mayor and City Council

FROM: Melissa Byrne Vossmer, Assistant City Manager

COPIES TO: Frank J. Garza, City Attorney; Dennis Campa, Community Initiatives Director;
File

SUBJECT: Chapter 334 Sales and Use Tax Election to Finance a Job Training Program, Certain Infrastructure Improvements and Economic Development Projects

DATE: January 26, 2000

SUMMARY AND RECOMMENDATIONS:

This Resolution is the first procedural step necessary to call a sales tax election under Chapter 334 of the Local Government Code for the purpose of funding five potential projects: (i) a Better Jobs program, (ii) San Antonio River improvements, (iii) promotion of development or redevelopment and expansion, of area military bases closed or realigned pursuant to applicable federal law, (iv) funding for the acquisition of open space over the Edwards recharge zone and creek based linear parks and the construction of improvements or additions to the municipal parks and recreation system; and (v) economic development projects to support businesses wishing to expand in, or relocate to San Antonio. The Resolution designates those projects as "venue projects," as required by law, and designates the proposed method of financing those projects (e.g. sales tax). The Resolution must be sent to the Comptroller of Public Accounts in connection with her review required by Chapter 334 that the imposition of the additional sales and use taxes would not have a "significant negative fiscal impact on state revenue.

The adoption of this Resolution does not bind the City into calling an election. However, if the City does not adopt this Resolution, it will be precluded from calling a sales tax election in May for any purpose.

Staff recommends approval of this Resolution.

BACKGROUND:

The City is seeking a method of financing five venue "projects" including the following:

- (1) "Better Jobs" Venue Project for the creation of a job training fund to provide a source of funds for better job programs which includes creating a highly skilled workforce and expanding the number and diversity of high skill, higher paying jobs;
- (2) San Antonio River Venue Project to support infrastructure improvements necessary to promote development on the San Antonio River;
- (3) Military Base Closure and Realignment Venue Projects directed toward the promotion of development or redevelopment and expansion, of military bases closed or realigned pursuant to recommendations of the Defense Closure Realignment Commission, (e.g. Kelly Air Force Base);

- (4) Parks Development and Expansion Venue Project to provide funds for the acquisition of open space over the Edwards recharge zone and creek based linear parks including the construction of improvements or additions to the municipal parks and recreation system; and
- (5) Business Development and Expansion Venue Projects to support the expansion and retention of targeted industries and businesses through development of infrastructure, roadway and utility improvements.

Chapter 334 of the Texas Local Government Code authorizes the City to levy certain additional "taxes", including a sales tax, to finance certain types of projects, if those projects and the tax are approved by the voters. Before an election can be called, the City must submit to the Texas Comptroller a resolution which designates those projects as "venue projects" and the method (sales tax) of financing those projects. The Comptroller is required to analyze the City's proposed method of financing and determine if the additional taxes proposed to be levied by the City would have a "significant negative fiscal impact on state revenue". The Comptroller is required to perform the analysis and provide written notice of the results within 15 days after receiving the resolution.

POLICY ANALYSIS:

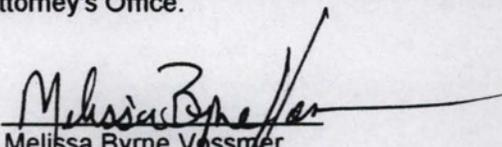
A sales tax election under Chapter 334 may only be held on one of the four uniform election dates. If the City Council desires to call a sales tax election to be held on the next uniform election date (Saturday, May 6, 2000), the City should call the election by no later than February 10, 2000. The Comptroller's approval is required before the election can be called. Therefore, City Council's approval is required to begin the election process.

FINANCIAL IMPACT:

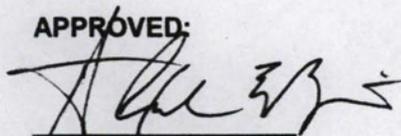
The Resolution itself has no financial impact on the City; however, if one or more of the "venue projects" are approved by the voters and an additional sales tax is levied, the City would receive additional revenues to finance the approved projects.

COORDINATION:

This item has been coordinated with Community Initiatives, the Economic Development Department, Finance, Budget and Employee Services, and the City Attorney's Office.


Melissa Byrne Vossmer
Assistant City Manager

APPROVED:


Alexander E. Briseño
City Manager

Better Jobs and Better Future



*Making the Strategic Connections
for the Next Generation*

Overview

Better Jobs

Better Future

Governance

Next Steps



What is Better Jobs?

- ◆ Better Jobs is a community wide effort to raise the standard of living in San Antonio by:
 - ◆ Creating a highly skilled workforce
 - ◆ Expanding the number and diversity of high skill, higher paying jobs



The Vital Partnership

Better Jobs and Better Future

- ◆ Better Jobs will build the community's human capital through strategic investments and coordination
- ◆ Better Future will provide the economic infrastructure to create the Better Jobs of tomorrow
- ◆ Both efforts are interdependent on each other for success



Strategies

- ◆ Five interrelated strategies for significantly improving long term results within a generation:
 - ◆ Early Education/Parenting
 - ◆ School Supports
 - ◆ Job Training
 - ◆ Literacy
 - ◆ Economic Development

Overview

Better Jobs

Better Future

Governance

Next Steps



Building on Our Strengths

- ◆ Economy diversifying away from government job dominance
- ◆ 21,700 new jobs created in 1999 (TWC, 12/99)
 - ◆ 6.4% over 1998
- ◆ Local growth rate exceeds the 2.6% national employment growth from 1997 to 1998
- ◆ Record low unemployment: (TWC, 12/99)
 - ◆ San Antonio: 3.4%
 - ◆ Texas: 4.2%
 - ◆ National: 3.7%

Why is Better Jobs Important?

Globally Competitive Workforce

Regionally Competitive Workforce

Local Competitive Workforce

Higher Education Success

Technical Skills Success

Secondary School Success

Primary School Success

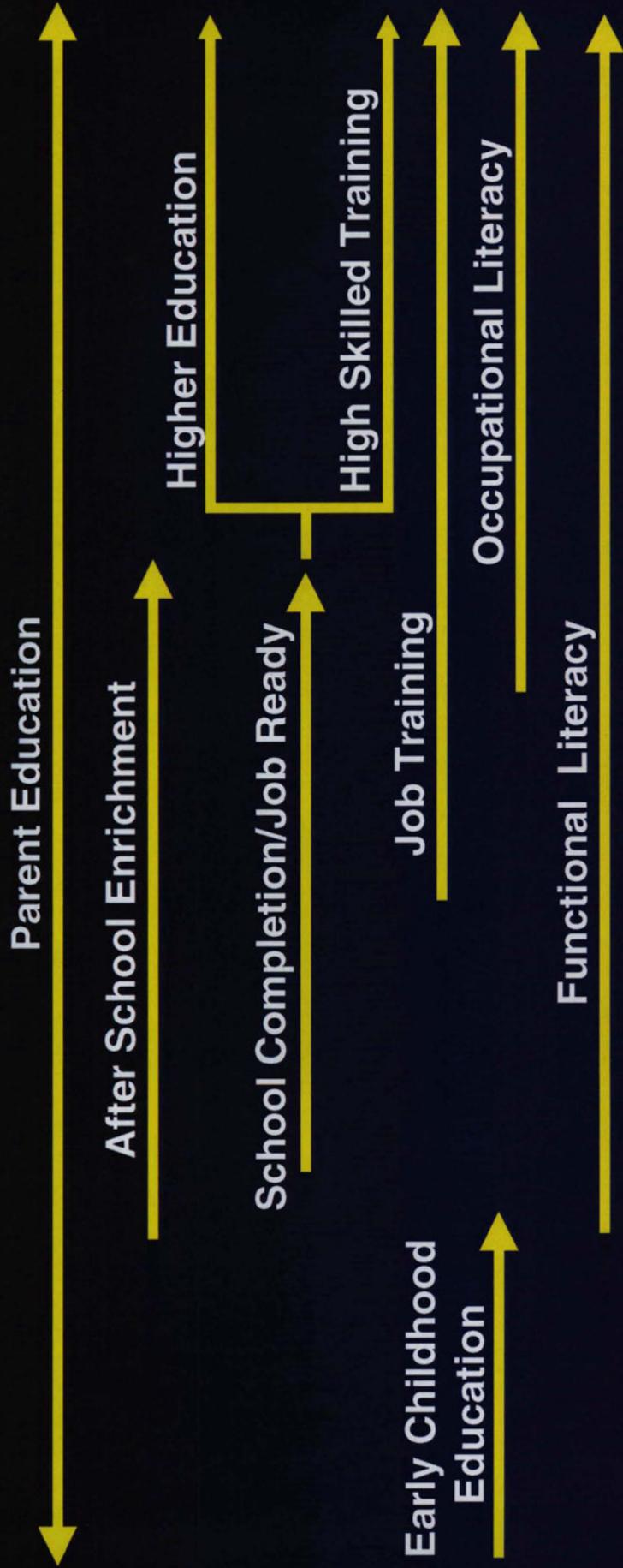
Early Childhood Success



Goals for Better Jobs in the 21st Century

- ◆ School Preparedness
- ◆ Educational Achievement
- ◆ Skilled Training

Better Jobs through Human Development



0-5 Years	School Age	Youth	Adult
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School Preparedness

Early Childhood Education
Parent Education



Goals for School Preparedness

- ◆ Early Childhood Education
 - ◆ Improve Accessibility and Quality
 - ◆ Optimize brain development during first five years
 - ◆ Prepare children to enter school “ready to learn”
- ◆ Parent Education
 - ◆ Educate parents on role as child’s first teacher



School Preparedness Indicators

- ◆ 33% of children enter kindergarten unprepared (CDF)
- ◆ 15% (4,900) of Bexar County 4th graders scored below minimum standard on the TAAS reading test in 1998 (TEA)
- ◆ 83% of mothers are projected to be in the workforce by 2005 (DOL)
- ◆ 46% of children 0-5 are in unregulated care



Early Childhood Education Bexar County

- ◆ Bexar County Children 0-5 149,600
- ◆ Estimated children cared for at home 34,400 (23%)
- ◆ Children in Licensed/Registered Care 45,800 (31%)
- ◆ Children in Unidentified/Unregulated Care 69,400 (46%)



Benefits of Early Education

- ◆ ***Enhancing School Success***
 - ◆ 50% more likely to graduate on time (Perry Preschool)
 - ◆ 94% of AVANCE kids complete high school (AVANCE)
- ◆ ***Child Care Return on Investment (TX Perspectives)***
 - ◆ Subsidized quality care allows more parents to enter workforce
 - ◆ \$4.47 increased economic activity for every \$1 invested
- ◆ ***Savings to Taxpayers (Perry Preschool)***
 - ◆ Future savings from public expenditures exceed program costs by 7 to 1
 - ◆ 60% higher earnings among Perry participants at age 27



Benefits of Parent Education

- ◆ ***Parents as Teachers Evaluation (PAT), 1998***
When compared to a control group, PAT children:
 - ◆ Scored significantly higher on kindergarten readiness
 - ◆ Scored 29% above national norms on cognitive skills tests



Early Childhood Education Current Program Costs

- ◆ CCMS Subsidy \$3,000/year
- ◆ Head Start \$4,875/year
- ◆ Private Early Education Program \$7,000/year
 - ◆ Low child to staff ratio
 - ◆ Lead teachers with 4-year degrees

Full-time early childhood development



Educational Achievement

After-School Enrichment
Parent Involvement
School Completion



Goals for Educational Achievement

- ◆ *After School Enrichment*
 - ◆ Enhance curriculums to include structured tutorial
 - ◆ Increase number of program sites throughout City
 - ◆ Improve staff-to-child ratio
- ◆ *Parent Involvement*
 - ◆ Enabling parents to serve as partners in education
- ◆ *School Completion/Job Readiness*
 - ◆ Improve attendance rates
 - ◆ Increase graduation rates
 - ◆ Increase college enrollment
 - ◆ Enhance life skills and job readiness skills



Educational Indicators

- ◆ 17.5% (3,459) of 7th graders starting in 1993 did not graduate as expected in 1998 (Region 20 - TEA)
- ◆ 15% (5,200) of 8th graders scored below minimum expectations on the TAAS reading test in 1998 (Bexar County - TEA)



Benefits of After-School Enrichment

- ◆ ***Improving Academic Performance***
- ◆ 57% of students improved school attendance (Lighted Schools Program, Waco, TX)
- ◆ 38% decrease in students failing two or more classes (Lighted Schools Program, Waco, TX)
- ◆ Over 70% of teachers felt after school enrichment “helped” students’ grades and “improved” school work (After-School Program, City of Austin)



Benefits of Parent Involvement in Education

- ◆ *A New Generation of Evidence: The Family is Critical to Student Achievement, 1997*
- ◆ Parent involvement more important to success than family income or education
- ◆ Students showed improvement in achievement, behavior, attendance
- ◆ Involved parents become more active in the community



After School Programs Current Program Costs

- ◆ After School Challenge \$417/year
- ◆ San Antonio Urban Ministries ASK \$1,200/year
- ◆ YMCA Prime Time \$1,587/year



Highly Skilled Workforce

Higher Education
Job Training
Literacy



Workforce Development Goals

- ◆ ***Literacy Programs - linked with workforce development***
 - ◆ Facilitate successful transition to workforce
 - ◆ Promote life long learning to prepare people for multiple careers
- ◆ ***Job Training: marketable skills - higher wages***
 - ◆ Increase number of employees obtaining higher wage jobs
 - ◆ Enhance education and skill level of workforce
 - ◆ Improve City's workforce profile, attracting more businesses



Skilled Workforce Indicators

- ◆ **Average hourly wage for unskilled workers**
(US Department of Labor)
 - ◆ Texas: \$6.12
 - ◆ National: \$6.68
- ◆ **Median Household Income Estimates, 1995**
(US Census Bureau)
 - ◆ Bexar County: \$29,815
 - ◆ Texas: \$31,488
 - ◆ National: \$40,611



Benefits of Higher Education

- ◆ The 20 highest paid occupations require at least a bachelor's degree
- ◆ Occupations requiring college degrees are growing twice as fast as all others
- ◆ College graduates earn significantly higher median income than high-school graduates:
 - ◆ **1997: 54%** (U.S. Census Bureau)



Higher Education = Better Jobs

1997 National Median Income by Education Level

<u>Education Level</u>	<u>% of SA</u>	<u>Median Income</u>
Less than 9 th Grade	17%	\$14,826
Grades 9-12	12%	\$20,314
High School Graduate	25%	\$27,005
Some College—No Degree	22%	\$31,174
Associates Degree	6%	\$33,218
Bachelor's Degree	12%	\$41,579
Advanced Degree	6%	\$62,995

Source: US Census, Current Population Reports, 1998



Job Training = Better Jobs

1998 National Average Earnings by Trade/Craft

	SA MSA	National
Aircraft Mechanic	\$30,450	\$38,150
Electrician	\$28,080	\$37,530
Plumber	\$28,760	\$37,430
Carpenter	\$20,620	\$31,610
Dental Technician	\$27,680	\$29,200
Automotive Mechanic	\$26,760	\$29,060

Source: Texas Workforce Commission, US Bureau of Labor Statistics, 1998



Job Training Current Program Costs

- ◆ **AWD (FY 98/99)** \$2,800-\$4,000
 - ◆ 6 - 18 months
 - ◆ varies by program
- ◆ **Project Quest (FY 98/99)** \$5,783
 - ◆ 16-month job training
 - ◆ Stipend for living expenses
 - ◆ Associates degree or trade
- ◆ **St. Phillips - Aviation Mechanic** \$5,000
 - ◆ Full-time, 18-months
- ◆ **SAC - Early Child Development** \$1,500
 - ◆ Associates degree
 - ◆ Full-time, 24 months



Functional Literacy

- ◆ 27% of adults in SA are functionally illiterate
 - ◆ Bexar County: 25% Texas: 23% National: 21%
- ◆ Adults who are functionally illiterate:
 - ◆ Cannot locate an intersection on a street map
 - ◆ Cannot complete a job application
 - ◆ Cannot calculate total costs of a purchase
 - ◆ Earn a median income of \$240/week
 - ◆ Work an average of 19 weeks per year



Literacy Services Current Program Costs

- ◆ City of San Antonio
Literacy Centers \$133/year
- ◆ Project Learn to Read \$264/year

Overview

Better Jobs

Better Future

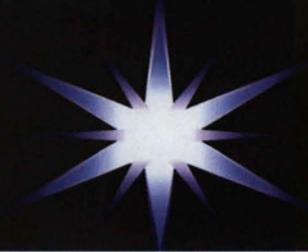
Governance

Next Steps



Better Future Vision

- ◆ *Transform San Antonio into a higher skilled and higher wage City*
- ◆ Create an environment for high skills, higher paying jobs to fuel economic growth
- ◆ Create and draw industries that provide greater economic opportunity for San Antonio workforce



Integrated Economic Development Plan

- ◆ **New Focus & Resources**
- ◆ **Coordinated**
- ◆ **Evolved from community input**
- ◆ **Focus on creating an environment for improving local companies and industries that have the greatest potential to create new jobs**
- ◆ **Nurturing of targeted industries in San Antonio**
- ◆ **Funding economic development specific strategies in support of those industries**



Economic Development Core Industries

- ◆ Made up of economic drivers--the industries that create the primary jobs and have the greatest potential for growth
 - ◆ Focus on industries where City has competitive advantage
- ◆ Maximize San Antonio's South Texas Advantage



Economic Development Driver Industries

- ◆ **Bio-Sciences & Healthcare**
- ◆ **Aerospace/MRO/Machine Trades**
- ◆ **Logistics/Distribution/International Trade**
- ◆ **Information and Emerging Technologies**
- ◆ **Visitor and Tourism**



Maximize Regional Advantages

- ◆ Mexico
- ◆ South Texas
- ◆ Austin
- ◆ Military



Integrated Economic Development Plan

- ◆ Identified local stakeholders
- ◆ Focus on growing and diverse industry sectors offering more quality jobs
- ◆ Make strategic investments to drive expansion



Economic Development Projects

- ◆ **Military Base Redevelopment Projects**
(**\$50 million**)
- ◆ **San Antonio River Development Projects**
(**an estimated \$30 million**)
- ◆ **Parks Development & Expansion over the
Recharge Zone (\$45 million) and Creek-based
Linear Parks (\$20 million)**
- ◆ **Economic Development Incentive Projects**
(**will share balance of 1/8 cent sales tax,
approximately \$60 million**)



Economic Development Incentive Project

- ◆ Supports the expansion and retention of targeted industries and businesses through development of infrastructure, roadway and utility improvements
- ◆ Supports eligible neighborhood commercial infrastructure projects



Military Base Redevelopment Projects (Kelly AFB)

- ◆ High-impact, build-to-suit projects that create jobs
- ◆ Critical Infrastructure requirements
- ◆ General facilities improvements



San Antonio River Development Project

- ◆ Leverages infrastructure improvements necessary to promote new development on the River Channel
- ◆ Promotes economic development to the north and south of Downtown
- ◆ Develops amenities from the San Antonio River headwaters to Mission Espada



Parks Development and Expansion

- ◆ Provides for acquisition and development of open space over the Edwards Aquifer Recharge Zone
- ◆ Provide for acquisition and development of land for creek-based linear parks
- ◆ Construction of improvements or additions to the Parks System



Better Jobs & Better Future Sales Tax Proposal

- ◆ 1/4 of a cent sales tax for 10 years
- ◆ Projected to generate approximately \$34-47 million for community investment annually
- ◆ \$410 million over the 10 years



Better Jobs and Better Future City of San Antonio Sales Tax Revenue Projections*

1/4 Cent Collections (in millions)

FY Ending Sept 30	Annual Collections	Cumulative Collections
2001	34.4	34.4
2002	35.6	70.0
2003	37.2	107.3
2004	38.9	146.1
2005	40.2	186.3
2006	41.7	228.1
2007	43.2	271.3
2008	44.8	316.1
2009	46.4	362.5
2010	47.5	410.0

*** Estimated January 2000**



**Better Jobs and Better Future
What is the Cost to Your Family?
Impact of 1/4 cent**

Income Levels	Est. Annual Impact	Est. Monthly Impact
\$15,500 or less	\$22	\$1.84
\$15,500-\$27,500	\$32	\$2.66
\$27,500-\$46,300	\$42	\$3.54
\$46,300-\$78,000	\$58	\$4.80
Over \$78,000	\$86	\$7.12

*State Comptroller - Texas Statewide Average
Bexar County Median Household Income: \$29,815*

Overview

Better Jobs

Better Future

Governance

Next Steps



Better Jobs Oversight

- ◆ *City Council will appoint a 7-member board that will:*
 - ◆ **Oversee Better Jobs and represent the community**
 - ◆ **Plan, coordinate, monitor activities, and ensure accountability**
 - ◆ **Recommend funding of existing programs and identify new programs for funding**
 - ◆ **Leverage community assets**
 - ◆ **Recommend annual budget to City Council**
 - ◆ **Report progress to Council and the community**



Better Jobs Initiatives

- ◆ Could recommend job training funding if a business enterprise has specifically committed to create new jobs and pay set wages.
- ◆ Could recommend funding facilities that target job creation and retention and job training, including child care and child development .
- ◆ Could recommend funding any other project that the Board in its discretion determines “promotes and develops new or expanded business enterprises.”
 - ◆ **Must first make finding of need before recommending funding for any Better Jobs related activity.**



Better Jobs and Better Future Sales Tax Propositions

- ◆ Better Jobs - funded by sales tax rate of 1/8 of one cent
- ◆ Better Future - 1/8 of one cent to be shared by:
 - ◆ San Antonio River Project
 - ◆ Military Base Redevelopment Projects
 - ◆ Parks Development and Expansion Projects
 - ◆ Economic Development Incentive Projects
- ◆ Projects approved can utilize full 1/8 of one cent



Better Jobs and Better Future Remaining Issues

- ◆ Better Jobs:
 - ◆ Define Board's Responsibilities
 - ◆ Appoint Board Members
 - ◆ Determine Staffing
 - ◆ Set Standards for High Quality Services
 - ◆ Establish Benchmarks
 - ◆ Develop an Accountability System



Better Jobs and Better Future Remaining Issues

- ◆ Better Future:
 - ◆ Develop Neighborhood Economic Development Projects by February 29, 2000
 - ◆ Track and report progress
 - ◆ Leverage new and existing neighborhood economic development investments



Summary

The Vital Partnership

- ◆ Better Jobs will build the community's human capital through strategic investments and coordination
- ◆ Better Future will provide the economic infrastructure to create the Better Jobs of tomorrow
- ◆ Both efforts are interdependent on each other for success

Overview

Better Jobs

Better Future

Governance

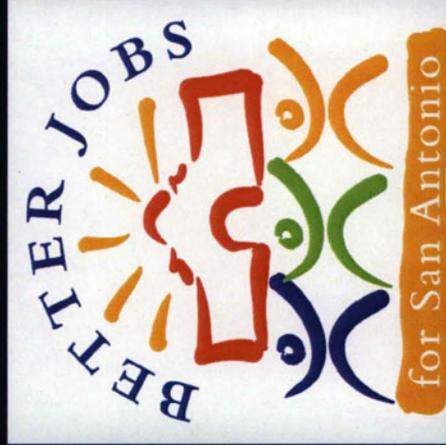
Next Steps



Proposed Next Steps City Election

- ◆ State law requires calling an election 60 days prior to the start of voting
- ◆ Justice department has authority to void an election if it fails to obtain pre-clearance
- ◆ Council must approve resolution requesting Comptroller's authorization for sales tax use
- ◆ Council must call the election by February 10th
- ◆ City must transmit election information to Justice Department by February 14th

Better Jobs and Better Future



*Making the Strategic Connections
for the Next Generation*



Proposed Next Steps City Election

- ◆ Resolution on today's City Council agenda is the first step necessary to call a sales tax election.
- ◆ Adoption of this Resolution does not bind the City into calling an election.
- ◆ This Resolution must be sent to the State Comptroller for review of the impact to state revenue.



Proposed Next Steps Timeline

- ◆ February 10th
 - ◆ Public Hearing - 3 p.m.
 - ◆ City Council consideration of a resolution calling for May 6th Election
 - ◆ Staff submittal of Election Ballot to Attorney General for approval



Proposed Next Steps Timeline

- ◆ February 14th
 - ◆ Staff submittal of Election Packet to the Justice Department for pre-clearance of May 6th election
- ◆ April 19th - May 2nd Early Voting
- ◆ May 6th Election Day

Kelly's Requirements for Redevelopment "An Overview of Kelly's Strategic Needs"

**Paul Roberson
Executive Director
Greater Kelly Development Authority**

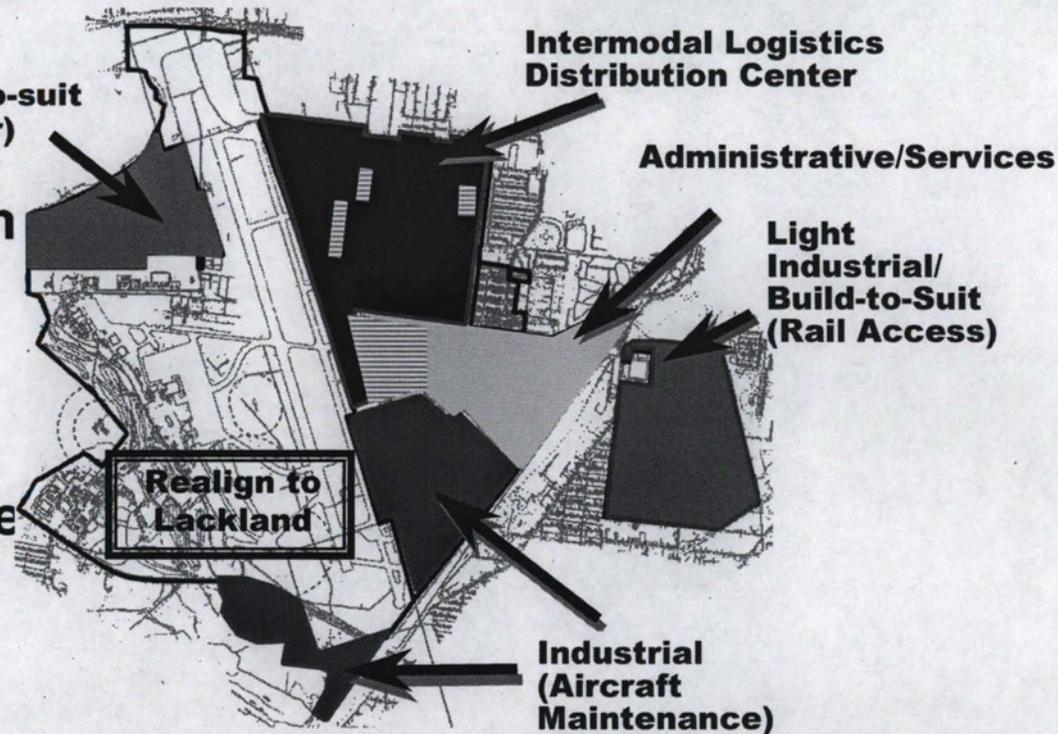
The Vision for Kelly

The Vision for Kelly

- Inland Port
- Gateway to Central and South American Businesses
- An Aviation Overhaul & Repair Center of Excellence
- Manufacturing Center for San Antonio

 Leaseback Property

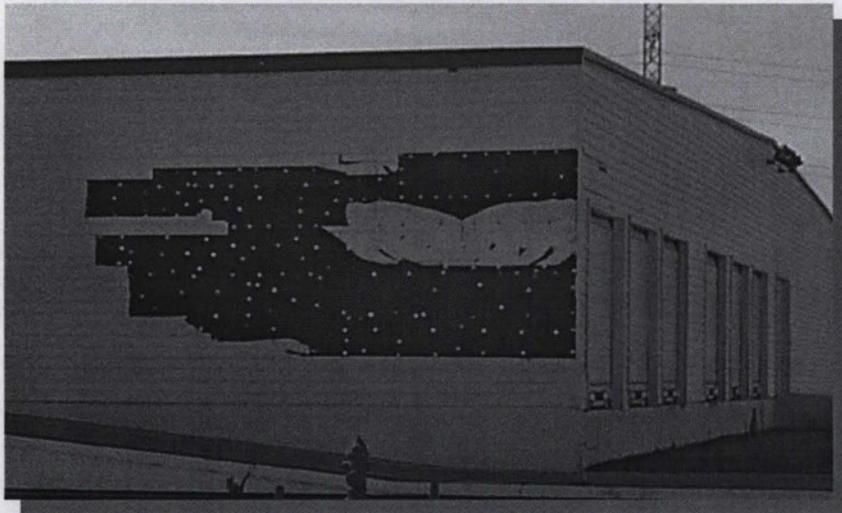
Community's Vision



Create 21,000 Good Paying Jobs by 2006

Transforming Kelly into a Competitive Center for Business--The Demolition Problem

**Building 1550 Warehouse
(176,075 SF)**



**Building 1562 Warehouse
(151,727 SF)**



- **1.4M SF of Warehouses Need to be Demolished**
- **Demolition/Replacement Essential for Multi Modal Vision**
- **Demolition Costs Estimated at \$6M to \$8M (Part of Kelly's \$174M Infrastructure Upgrade Program)**

Transforming Kelly into a Competitive Center for Business--The Upgrade Problem



- One Typical Project for “Fair” Facility
- Acceptable Exterior
- 183K SF of Space
 - Mix of Admin & Shop Space
- Totally Air Conditioned
- Upgrade Needs
 - Sub Divide for Tenants
 - Divide utilities per tenant
 - Improve Parking

Upgrades to Fair Facilities Are Part of \$50M Needed for Facility Improvements

Building Status and Access

KELLY BUSINESS/ INDUSTRIAL COMPLEX
EXISTING YEAR 2000 PLAN

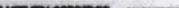
36th Street Entrance

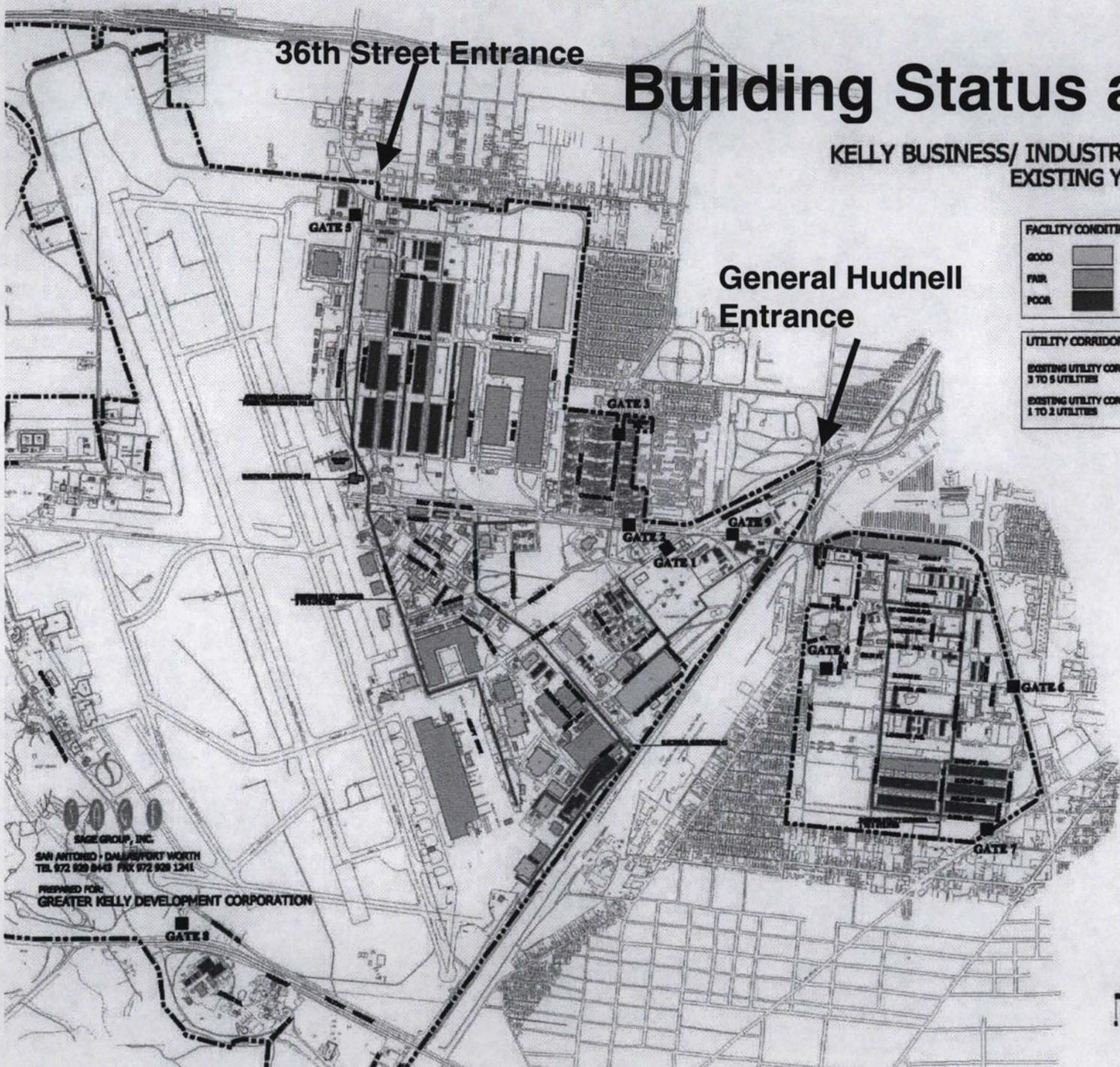
General Hudnell Entrance

FACILITY CONDITION LEGEND

GOOD	
FAIR	
POOR	

UTILITY CORRIDOR LEGEND

EXISTING UTILITY CORRIDOR 3 TO 5 UTILITIES	
EXISTING UTILITY CORRIDOR 1 TO 2 UTILITIES	



SAGE GROUP, INC.
SAN ANTONIO • DALLAS/PORT WORTH
TEL 972 929 8443 FAX 972 929 1241
PREPARED FOR:
GREATER KELLY DEVELOPMENT CORPORATION

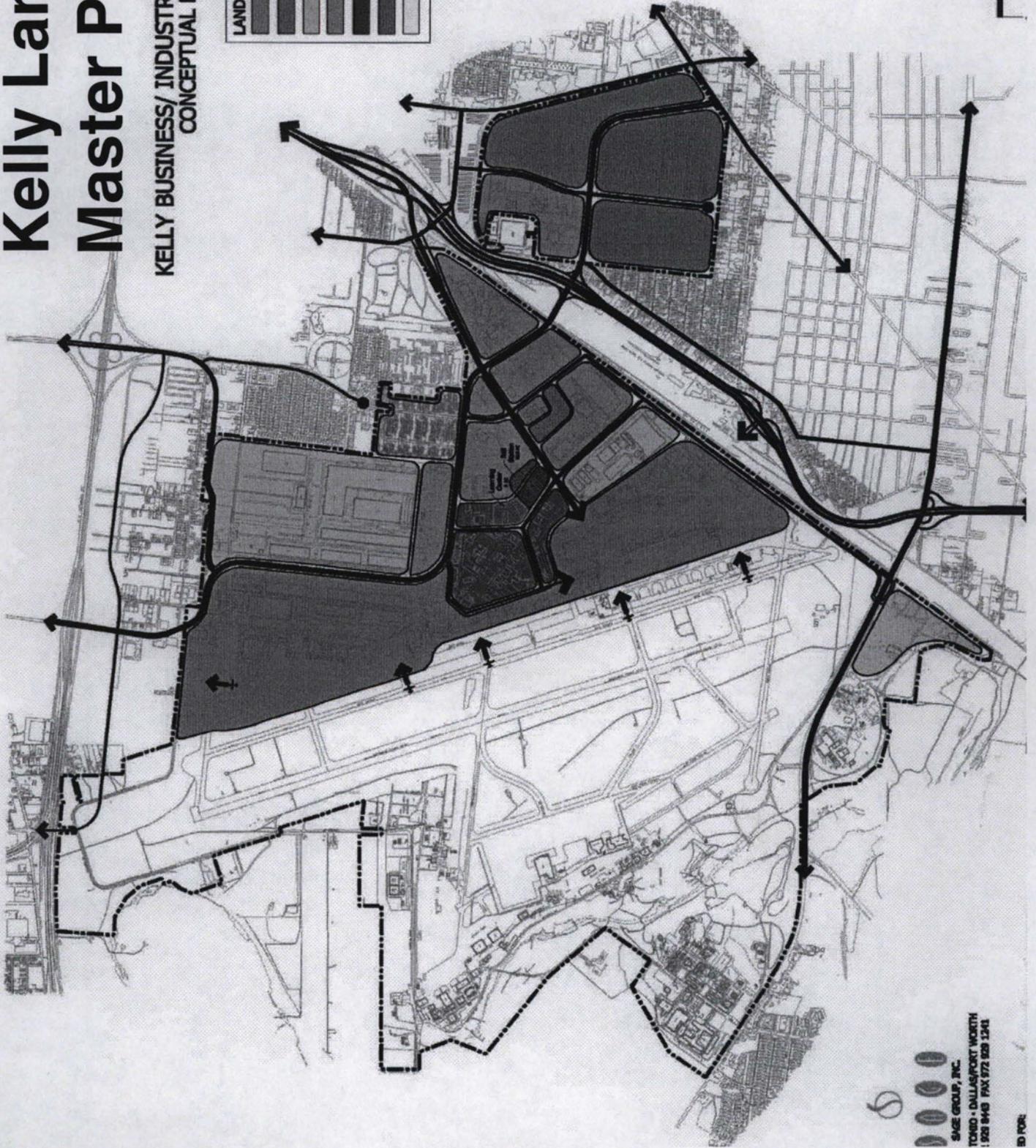

SCALE: 1"=500'

NORTH
12/99

Kelly Land Use Master Plan

KELLY BUSINESS/ INDUSTRIAL COMPLEX
CONCEPTUAL LAND USE PLAN

LAND USE LEGEND	
	Airfield Industrial
	Rail Served Industrial
	Business Park Non-Rail
	Office Commercial
	Downtown Kelly
	Preservation Area
	Residential

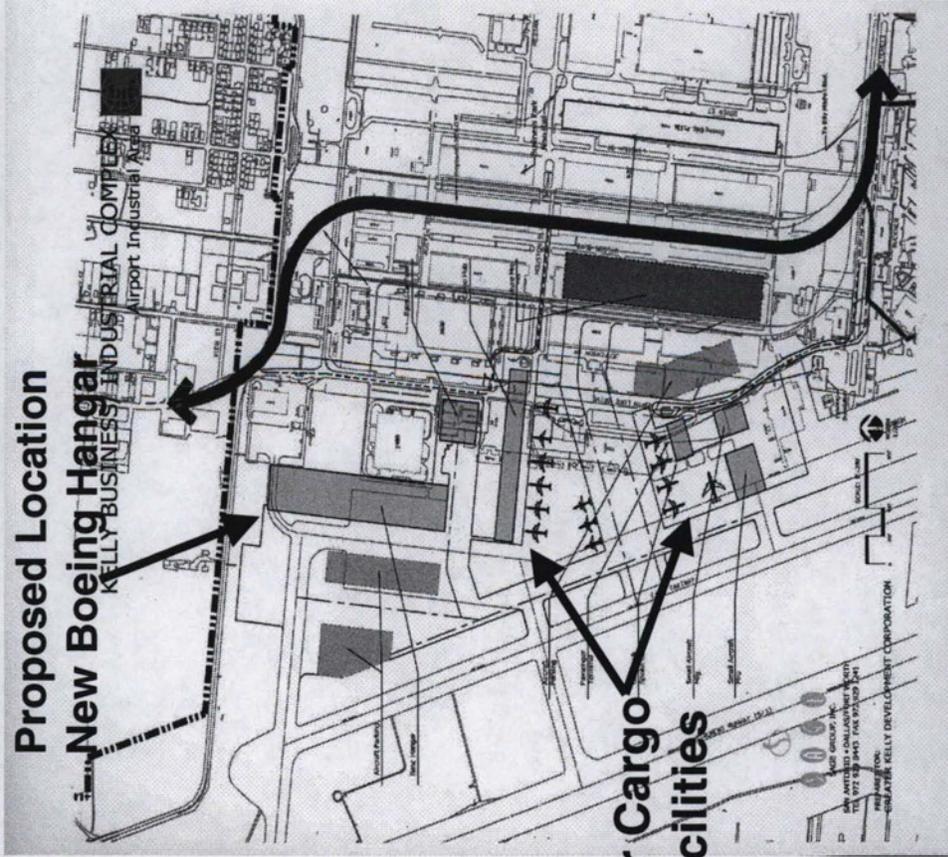


SAGE GROUP, INC.
TOMB • DALLAS/FORT WORTH
: 803 843 FAX 972 929 1241

SD FOR:



Future Vision for Kelly's North Ramp

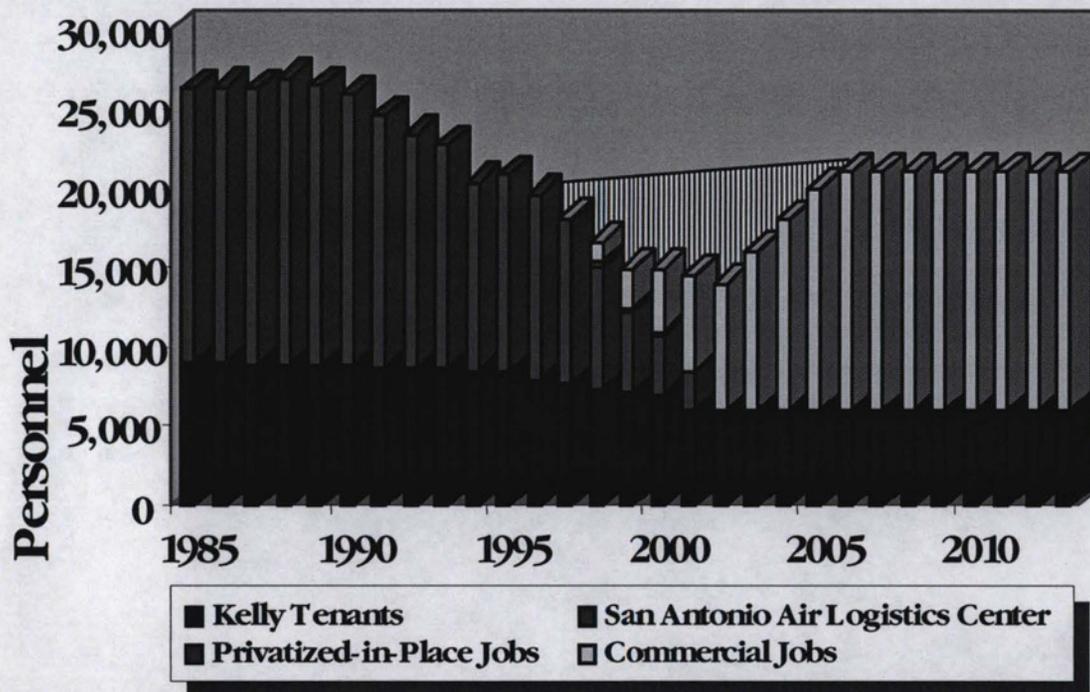


Example A Detailed Development Plan - NW Runway Frontage

Sales Tax Funding Profile for Kelly

	<u>Sales Tax</u>	<u>Federal/Local Match</u>	<u>Total</u>
Land Redevelopment for Airfield Use Relocate Access Road Warehouse Demolition Utility Line Relocation Ramp & Taxiway Improvements	\$27.0M	\$16.0M	\$43.0M
Facility Upgrades and Incentives for High Impact Tenants	\$13.0M	\$8.0M	\$21.0M
General Infrastructure Improvements Southwest Military Entrance/Exit Widen Southwest Road to Industrial Area Storm Drainage & Others	\$10.0M	\$6.0M	\$16.0M
Total	\$50.0M	\$30.0M	\$80.0M

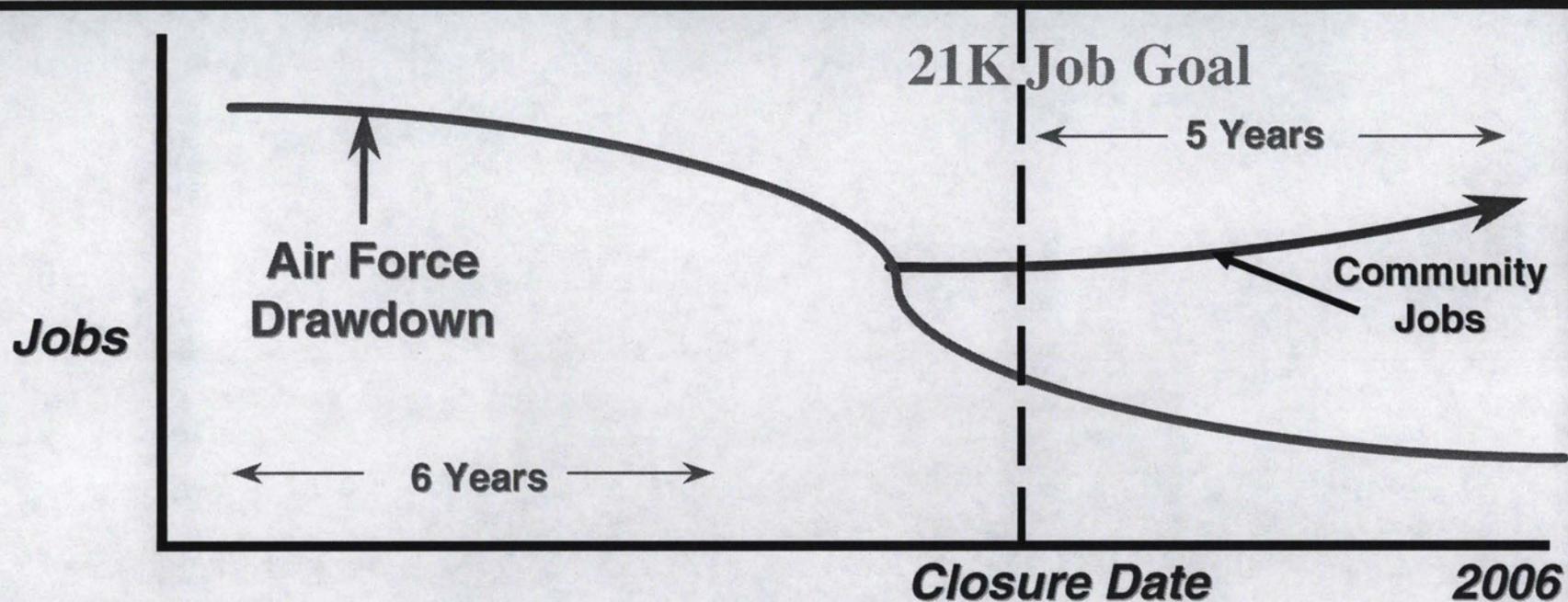
The Economic Significance of Kelly



- Kelly needs to create 9,000 jobs to make goal
- Payroll impact of 9,000 jobs is \$315M per year
- Potential impact on economy for FY00-FY06 is \$6.2B
- Success at Kelly requires 1,300 jobs on average for the next 7 years—MAJOR CHALLENGE!
- Sales Tax for Kelly will make it happen!

Kelly represents major opportunity to diversify San Antonio's economy

The Kelly Model for Closure and Creating Jobs



What's Needed

- Land Improvements Adjacent to Runway and Enhance Access
- Upgrades to Kelly Facilities and Infrastructure
- Marketing of Target Industries
- Liaison with Community for Strong Work Force Training Program



TO: BOARD OF DIRECTORS

FROM: EXECUTIVE COMMITTEE

SUBJECT: SALES TAX REFERENDUM: BETTER JOBS & ECONOMIC DEVELOPMENT

STATUS: ADOPTED

DATE: 01/27/00

RECOMMENDATION: That the Board of Directors of The Greater San Antonio Chamber of Commerce adopt the following statement as policy.

STATEMENT: The Chamber supports the concept of the initiatives known as **Better Jobs and Economic Development** for our community. **Endorsement and active support of these proposals are conditioned upon satisfactorily addressing the concerns listed below in sufficient time to review and evaluate prior to calling the election on February 10:**

A. Governance

The Chamber believes governance should be independent and non-political, with a limited board of recognized, trusted individuals, who are publicly identified well in advance of the election. We recommend that a seven-member board be created, charged with the administrative and oversight functions of the Better Jobs and economic development initiatives. Discretionary funding decision by the board is possible, but may be overturned by a super-majority council vote.

B. Ballot Language

We believe State Statute Section 334 of the Local Government Code provides the best vehicle to support these initiatives.

C. Better Jobs

1) Any criteria for awarding discretionary funds to projects should be developed in such a way that they will reflect and encourage the provision of quality job training projects. Project QUEST and The Education Partnership have demonstrated high-quality results in the training of eligible citizens for job placement. The criteria of both projects may serve as a model in establishing the criteria of those projects eligible for the receipt of sales tax revenue.

2) The Chamber believes the three primary Better Jobs components and their subsequent categories should be completely detailed:

(a) School Preparedness

(i) Early Childhood Education: coordinate with the efforts of Alamo Workforce Development (AWD) in developing and expanding the early childhood development system;

(ii) Parent Education;

(b) Educational Achievement

(i) After-school enrichment;

(ii) Parent involvement;

(iii) School completion;

(c) Highly Skilled Workforce

(i) Higher Education;

(ii) Job Training: the development and implementation of a customized, short-term job training project, providing stair-stepped wage-subsides during a training period for targeted, industry companies meeting wage and location thresholds;

(iii) Literacy;

3) Every effort should be made to augment, without duplicating, existing workforce development programs, with exceptions given to those areas determined to have the greatest need and worthy of multiple short-term resource application;

4) An effort should be made throughout to focus on those services not currently delivered by other local providers (i.e. apprenticeship and school-to-careers programs).

D. Economic Development

1) **The Chamber supports projects for the promotion of development or redevelopment and expansion, including costs of administration and operation, of area military bases closed or realigned pursuant to applicable federal law, including Kelly Air Force Base.** The development of Kelly AFB as an industrial business center is an essential economic generating component for job creation and transformation and diversification of San Antonio's economy. Among the proposed projects under the category of the **Economic Development Incentive Fund**, Kelly AFB must be given priority status and a minimum appropriation of \$50 million to be administered by the Greater Kelly Development Authority's Board of Directors.

2) The Chamber has a long history of support for improvements to the San Antonio River:

- In 1994 it supported riverwalk improvements along both banks of the river in the downtown area.
- In 1995 The Chamber petitioned the Texas Transportation Commission for funds for the Mission Trails project with specific improvements to the river as it coincided with Mission Trails.

- In 1997, it supported a FY 1998 city budget line item for Mission Trails to include improvements to the San Antonio River south of downtown and continuing toward the historic missions.
- In 1998 The Chamber assisted with the Mission Trails groundbreaking at Mission Espada. Clearly, The Chamber has a long-term interest in the river and supports **San Antonio River improvements as a tourist development area along an inland waterway.**

3) The Chamber supports the **Municipal Parks and Recreation Project** to secure open space in the development of linear parks. The Chamber encourages the City Council to consider acquiring sensitive Edwards Aquifer property. Cities across the country are realizing that public parks and recreation areas add to the quality of life and are a necessary factor in creating jobs and in attracting new industry.

4) Support for the proposed **Commercial Economic Development Projects** is contingent upon eligible projects defined as only those including an economic development-driven program.

E. Legal Authority

It is imperative for public confidence that the proposed utilization of sales tax funds is legal. Therefore, we believe that a formal, written opinion from the City Attorney's Office should be issued validating the funded initiatives and programs prior to any City Council discussion and action on the ballot language.

BACKGROUND: At its organizational meeting, the task force adopted the following charge:

To gather information relative to the various proposals for utilizing the remaining half penny of the sales tax, evaluate the needs of the community, and make a priority recommendation to The Chamber's Board.

The Community Investment Task Force began meeting December 1, 1999, and outlined a weekly meeting schedule, with one week off for the holiday season. The task force meeting schedule follows:

- December 7 Greater Kelly Development Authority
- December 14 Councilman Tim Bannwolf
- December 21 Mayor Howard Peak
- December 23 Texas Workforce Commission Chair Diane Rath
- January 4 Texas Public Policy Foundation, Bennett Feinsilber, COPS/Metro Alliance
- January 11 VIA's Advanced Transportation District; Alamo Workforce Development
- January 13 Project QUEST, Education Partnership, After school challenge
- January 18 Discussion

The 1/4 cent sales tax increase is estimated to generate \$405 million in a ten year period.

The following is a list of total sales tax percentages and transportation sales tax percentages for major Texas cities. The sales tax is capped at 8.25% by state statute. Metropolitan Transit Authorities (MTA) are allowed one penny of that tax. A successful Better Jobs and Economic Development referendum would raise the local sales tax rate by 1/4 to 8%. In addition, a successful VIA referendum would raise the tax to 8.25% ceiling.

<u>City</u>	<u>Sales Tax %</u>	<u>MTA Tax (% of one penny)</u>
Arlington	7.750	0.00
San Antonio	7.750	.50
Corpus	7.875	.50
Lubbock	7.875	0.00
Laredo	8.000	0.00
Austin	8.250	1.00
Dallas	8.250	1.00
El Paso	8.250	0.00
Ft. Worth	8.250	.50
Houston	8.250	1.00

Governance

A non-political governing body is necessary to properly administer the sales tax funds and eligible programs. It is recommended that a seven-member board be named the administrative duties associated with managing the utilization of the sales tax funds. The task force also felt the administrative staff should consist of an appropriate number to effectively administer the funds and programming.

Ballot Language

The task force voted unanimously that the ballot permit citizens to vote for 1/8 of a cent sales tax increase for Better Jobs and another 1/8 of a cent increase for economic development. It is also recommended that the ballot be as specific as possible in naming the projects eligible for sales tax revenue. In evaluating the two vehicles for utilizing sales tax revenue, the task force felt Section 334 of the Local Government Code was the better vehicle to achieve its recommendations.

Better Jobs

On this point, all task force members were clear: it is essential that the specifics detailing the types of programs eligible for funding, with appropriate benchmarks and accountability factors, be finalized and made public in a sufficient manner for review and evaluation prior to calling the election on Thursday, February 10.

- Customized Training Program- There are no local funds for customized job training. San Antonio regularly competes with communities statewide and nationally that have significantly more economic development tools at their disposal in luring and retaining jobs. A customized training program could provide wage subsidies during a training program for eligible companies in targeted industries. The mayor's economic development team, led by

Jill Vassar, vice president at the Economic Development Foundation (EDF), recommended the following plan intended to create jobs by luring new jobs and expanding existing ones:

- The program should be available to any employer creating a minimum of five new jobs with an average wage of at least 80% of the county's per capita income.
- The employer must be part of one of the city's targeted industries: aviation, communications, headquarters, high technology, information/business services, manufacturing, research and development, warehousing/distribution, defense-related operations.
- Subsidies awarded on a competitive basis and to include an application process and curriculum review.
- Companies receiving state and federal assistance will be given priority.
- Program would operation as a reimbursement program for wages paid.
- A company could receive no more than \$1 million annually.
- Funds would be targeted to small business (30%), existing business (30%), new business (30%), and high economic impact projects (10%).
- Wage subsidies stair-stepped for jobs created in high poverty areas and exceeding the county's per capita income:
 - 40% subsidy for eight weeks if company is in a high poverty area;
 - 30% subsidy for eight weeks if company is in a more prosperous area;
 - 20% subsidy for eight weeks if company is in a more prosperous district and wages are at least 80% of the county's per capita income.

Economic Development

- **Economic Development Incentive Fund** - The Greater Kelly Development Authority (GKDA) has discussed the progressive transformation of Kelly into an industrial/technology park and the plans for the future. The goal of the GKDA is to have 21,000 jobs created by the year 2010. To be successful in this venture, GKDA estimates it will need \$374 million for infrastructure improvement and facility upgrades. GKDA plans to secure \$145 million of the need with lease revenues, grants and utility income, but needs support from the sales tax to leverage the remaining funds (a difference of \$229 million). GKDA Executive Director Paul Roberson has expressed hope that the GKDA will receive \$10-15 million annually from the possible sales tax increase, and that it will stand alone on the ballot. Roberson has immediate need for construction of an \$80 million hangar, which would immediately provide for 1,000 new high-paying jobs.
- **San Antonio River Improvements** - The City, County and San Antonio River Authority (SARA) have been developing a comprehensive San Antonio River improvement plan from Brackenridge Park to Mission Espada. The estimated \$30 million city commitment is projected to leverage \$110 million in county, SARA and private investments. The commitment level of SARA, the county and the private sector is not known.
- **Municipal Parks and Recreation Project** - In positioning San Antonio as a desirable place to live and in which to relocate a business, it is necessary to invest in the further development of open spaces and linear parks. An attractive quality of life is tied to job creation and a productive economic development strategy. The proposal provides for \$45 million for land acquisition and \$20 million for the development of linear parks.
- **Commercial Economic Development Fund** - The details of this proposed program are lacking. There is clearly a risk within this program for the misuse of sales tax revenue in providing services that should be paid for through the general revenue fund, i.e. street

reconstruction and drainage improvements. The task force would like to see more details.

Legal Issues

Section 334, the recommended primary vehicle for securing and utilizing a sales tax increase, has some unique characteristics which bear consideration. Other state statutes which will be utilized include 4B, Chapter 2 (Section 11 (a)) of the Developmental Corporation Act of 1979.

334

- Section 334's initial intent was to provide for the financing of the construction of community venues.
- Utilization of 334 as a vehicle for the financing of economic development programs is based solely upon one line (Section D): *...and other economic development programs as permitted by other law*. No other municipality has ever attempted to use 334 as a vehicle for economic development purposes.
- The other **state** law permitting the use of sales tax revenue for the financing of economic development projects/programs is found in 4B, Chapter 2, section 11(a) (see below). The federal laws permitting the use of sales tax revenue for the financing of economic development programs are unknown.
- 334 requires that any initiative receiving sales tax revenue be specifically, individually stated on the ballot. The mayor currently is proposing a ¼ cent sales tax increase to finance programs in the following categories:
 1. Better Jobs;
 2. Economic Development (Kelly);
 3. San Antonio River Improvements;
 4. Support for future business expansion (luring and expanding job base);
 5. Acquisition of open space and linear park development.
- 334 permits an election for a sales tax increase in the following increments of a cent: 1/8, ¼, ½, 1. All of the items approved by the voters must add up to no more than the 1/4 cent increase.

Developmental Corporation Act of 1979

- 4B, Chapter 2 (Section 11(a)) of the above Act states several options for the utilization of sales tax revenue, with most being tied to capital projects intended to facilitate economic development activity (i.e. construction of roads, buildings, etc). Its sole mention in the first paragraph allows for the financing of projects designed to create and retain jobs. The second paragraph, dedicated to the sole purpose of using sales tax revenue for job training programs (a parenthetical paragraph to the first), specifically states the use of sales tax revenue is permitted for job training programs as outlined in Chapter 38.
- Chapter 38 has the following conditions which must be followed in the use of sales tax revenue for job training purposes:
 1. A business entity must commit in writing to the governing authority that sales tax revenue would be utilized in the training of

individuals for a specific job at a wage 1.5 times greater than the minimum county average wage.

2. A governing authority may permit the use of sales tax revenue for the creation of jobs if the county unemployment rate is 1.5 times that of the state average.
 3. Sales tax revenue may be used for half the job training costs.
- 334 does not require the establishment of a governing body. A governing body may be established, if desired.

IMPLEMENTATION: The Chamber will make its position known to the media and will convey its concerns to the mayor and city councilmembers through written communications and personal visits.

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TO: BOARD OF DIRECTORS

FROM: EXECUTIVE COMMITTEE

SUBJECT: SALES TAX REFERENDUM: VIA'S ADVANCED TRANSPORTATION DISTRICT

STATUS: PROPOSAL

DATE: 01/27/00

RECOMMENDATION: That the Board of Directors of The Greater San Antonio Chamber of Commerce adopt the following statement as policy.

STATEMENT: The Chamber supports VIA Metropolitan Transit Authority's proposal for a quarter-cent sales tax increase to create an Advanced Transportation District. The Chamber supports the creation of the district to seek substantial federal funding in order to assist VIA's efforts to meet San Antonio's future mobility needs. This support is conditioned upon:

1. the transportation system designs are such that VIA is not a carrier of last resort;
2. plans reflecting the mobility needs of the community;
3. taking into consideration future population growth projections and environmental impact studies.

BACKGROUND: In 1977 legislation was approved creating Metropolitan Transit Authorities (MTA) and authorizing them to call for elections to seek voter approval for a sales tax increase for financing public transit. A maximum of one cent was allowed. VIA was the first Texas MTA to successfully pass an election imposing a ½ cent sales tax increase two years later. Since that time, Houston, Dallas and Austin have all had elections levying sales taxes for the financing of public transit. Each has reached its statutory one cent limit. VIA is at half its limit.

The following is a list of total sales tax percentages and transportation sales tax percentages for major Texas cities. The sales tax is capped at 8.25% by state statute.

City	Sales Tax %	MTA Tax (% of one penny)
Arlington	7.750	0.00
San Antonio	7.750	.50
Corpus	7.875	.50
Lubbock	7.875	0.00
Laredo	8.000	0.00
Austin	8.250	1.00
Dallas	8.250	1.00
El Paso	8.250	0.00
Ft. Worth	8.250	.50
Houston	8.250	1.00

VIA's proposal for an Advanced Transportation District consists of three primary modes of public transit: rapid bus, historic trolleys and light rail. The historic trolleys and light rail systems would be funded from the proposed 1/4 cent increase. The rapid bus system would be funded from existing tax revenue currently used for bus routes. A successful May referendum would free these bus route funds for use on the rapid bus system.

<u>Mode of Transportation</u>	<u>Proposed Miles for each</u>
Rapid Bus (two carriage express busses)	60 miles
Historic Trolley (single car electric trolleys)	5 miles
Urban Rail (lightweight electric trains)	54 miles

The main corridors that the new system will follow are outlined below (see attached map):

- Beginning at 1604/I-10 traveling south past UTSA, USAA to Kelly AFB onto South Park Mall and finally onto Palo Alto. (Urban Rail)
- Beginning at 1604/281 traveling south to the airport and continuing to the 410/San Pedro area, down Hildebrand to the planned Intermodal Center downtown and finally along Roosevelt to Brooks AFB. (Urban Rail)
- Beginning at the Coliseum/Arena facility southwest to the Alamo Dome, Market Square finally to Gen. McMullen. (Urban Rail)
- From Gen. McMullen to South 410. (Advanced Bus)
- From Commerce north up Broadway to Austin Highway. (Historic Trolley)
- From Coliseum/Arena facility east to 410. (Advanced Bus)
- From downtown north up I-35 to 1604. (Advanced Bus)
- From Medical Center down Fredricksburg to San Antonio College" (Advanced Bus)
- From Medical Center east to the airport continuing to I-35. (Advanced Bus)
- From South Park Mall traveling southeast along Military to Brooks AFB and then Goliad. (Advanced Bus)

The rapid bus system is designed to service areas between light rail lines in an effort to move people between areas not serviced by light rail or historic trolley.

By utilizing pre-existing corridors of traffic, the costs of a fixed guide way transit system are reduced by half. VIA estimates the use of a fixed guide way will achieve the following:

- a per passenger cost of 22 cents per mile;
- doubling the current transit system capacity;
- a safer transit system will be created (7 times that of a bus system);
- there will be a reduction in pollution, travel time and passenger dissatisfaction.

In order to plan for San Antonio's long-term mobility needs (20 to 30 years), a dedicated revenue stream is necessary. VIA's permanent tax proposal would raise more than \$40 million annually. This money would be used to leverage state and federal funds necessary in meeting San Antonio's future mobility needs.

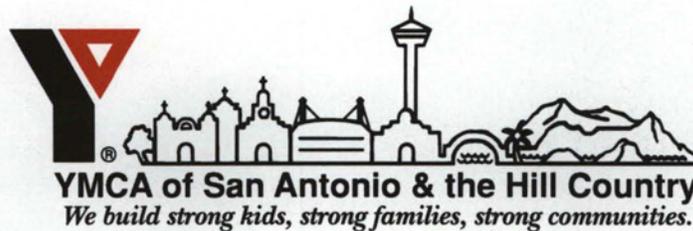
For example, the six-year (1997 to 2003) federal Transportation Efficiency Act for the 21st Century (TEA 21) has more than a \$1 billion available (on a competitive basis) for new rail construction projects. By comparison, approximately \$330 million in federal funds is available for non-rail mass transit projects.

Pending voter approval of the sales tax referendum, VIA is still required to embark on an extensive public outreach program in its application for federal funds. This effort will afford the community an opportunity to continue to shape the mass transit system plan. Keep in mind, however, that federal requirements for uniformity of service throughout the city are required and as a result compel the use of fixed guide ways.

San Antonio's current sales tax rate is 7.75%. A successful Advanced Transportation District referendum would raise the tax to 8%. A successful Better Jobs and Economic Development referendum would raise the sales tax by 25% to 8.25%, the state mandated limit.

IMPLEMENTATION: The Chamber will convey its position to VIA's board of directors, the public and elected officials through press releases and personal visits. Participation on the campaign to pass the referendum will include:

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1999-2000
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YMCA of San Antonio & the Hill Country

Meeting the Needs of School Age Children and their Families

The YMCA of San Antonio & the Hill Country is a pioneer agency in developing and providing services to school age children and their families. Quality services for school age children have been and continue to be critical to our community's well-being. The impact of quality services strengthens communities by enabling families to achieve and sustain economic stability and by fostering the positive development of children and youth. YMCA staff and volunteers are well recognized for their advocacy and leadership at local, state and national levels on behalf of school age children.

Programs that have a positive impact on children, families and communities must consistently:

- **Meet the Needs of Working Families**
 Programs must meet the needs of working families by providing comprehensive services during all of their children's out of school time. Working families need support 52 weeks a year; not only after school services for every school day, but full day services during all non-school days and holidays.
- **Meet the Development Needs of Children and Youth**
 Programs must be designed and continuously monitored to promote the positive development of children and youth. Day-to-day operations of each program must reflect well-established *best practices* for school age children, which include developing the whole child, physically, academically, socially and spiritually.
- **Establish and Monitor Safety and Quality Standards**
 Each program should have a on-going monitoring system (either through state and local regulations or through established internally-monitored standards) to ensure standardized levels of risk management and quality services at each program site, including
 - safe environments,
 - low staff to child ratios,
 - small age-specific group sizes,
 - well trained staff, and
 - developmentally appropriate curriculum activities.

All children regardless of the economic status of their families are entitled to quality services and equal protection under the law.

Any program providing services to school age children must meet the state and local licensing requirements. Public funds and private investments should be made only in

those programs that meet or exceed the requirements of local and state licensing regulations. (see attachment)

- **Demonstrate Positive Outcomes for Children and Families**

- Services for school age children and their families must have established missions, goals and objectives that reflect *best practices* in meeting the needs of children and families.
- Quality school-age programs must be able to assess and demonstrate both program satisfaction and positive outcomes for children and families. Ongoing evaluation of the services, as well as assessment of the impact on children and families is critical to the success of each program. Community resources should be invested in those programs that consistently demonstrate programmatic satisfaction and positive participant outcomes.

Many communities have well-established programs, with outstanding histories of meeting family needs through quality comprehensive services. Through the past two decades, the YMCA and many collaborative partners have built and maintained quality school age child care programs that are

- community based;
- governed by local community volunteers;
- administered and monitored by strong local community agencies;
- capable of providing a variety of ancillary support services for families; and
- maintain consistent mixed streams of local, state and national funding to subsidize children from poor working families.

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The YMCA encourages the use of new and existing public funds to support and enhance established community based initiatives for school age children by

- providing scholarships allowing additional children to participate in existing services,
- supporting programs which have established quality standards and demonstrate positive outcomes for children and families, and
- establishing a human development fund which supports inner city strategies, as well as enhances established community-based initiatives.

Texas Regulatory Requirements of After School Programs

The Regulation of Certain Facilities, Homes, and Agencies that Provide Child-care: Chapter 42, lists the following licensing criteria which apply to school-age programs including after school recreation programs operated by municipalities:

- (7) an educational facility accredited by the Texas Education Agency or the Southern Association of Colleges and Schools that operate primarily for educational purposes in grades kindergarten and above, an after-school program operated by another entity under contract with the educational facility, if the Texas Education Agency or the Southern Association of Colleges and Schools has approved the curriculum content of the after school program operated under the contract.
- (8) a kindergarten or preschool educational program that is operated as part of a public school or a private school accredited by the Texas Education Agency, that offers educational programs through grade six, and that does not provide custodial care during the hours before or after the customary school day.
- (14) an elementary-age (ages 5-13) recreation operated by a municipality provided the governing body of the municipality annually adopts standards of care by ordinance after a public hearing for such programs, that such standards are provided to the parents of each program participant, and that the ordinance shall include at a minimum, staffing ratios, minimum staff qualifications, minimum facility, health and safety standards, and mechanisms for monitoring and enforcing the adopted local standards; and further provided that parents be informed that the program is not licensed by the state and the program may not be advertised as a child-care facility.



YMCA of San Antonio & the Hill Country

We build strong kids, strong families, strong communities.

Larry Crutsinger
President/CEO

Association Office

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