

REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF SAN ANTONIO HELD IN
THE COUNCIL CHAMBER, CITY HALL, ON
THURSDAY, MAY 17, 1973.

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The meeting was called to order at 9:30 A. M. by the presiding officer, Mayor Charles L. Becker, with the following members present: COCKRELL, SAN MARTIN, BECKER, BLACK, LACY, MORTON, BECKMANN, PADILLA, MENDOZA.

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73-26 The invocation was given by The Reverend Orion N. Lewis, Pastor, McKinley Avenue United Methodist Church.

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73-26 Members of the City Council and the audience joined in the Pledge of Allegiance to the flag of the United States of America.

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73-26 Mayor Becker recognized a class of students from Lackland High School who were accompanied by their teacher, Mr. David Merrill.

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73-26 The Clerk read the following Ordinance:

AN ORDINANCE 42,212

OF THE CITY COUNCIL OF THE CITY OF
SAN ANTONIO APPROVING THE URBAN
RENEWAL PLAN AND THE FEASIBILITY OF
RELOCATION FOR SAN ANTONIO NEW TOWN
IN TOWN URBAN RENEWAL PROJECT.

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MRS. COCKRELL: Mr. Mayor, I think we had recessed to hear a staff report prior to a Council vote.

MAYOR BECKER: Is that the way it was? All right, may we have that staff report then, please.

MR. SAM GRANATA: Mayor and Council, last Thursday the staff recommended approval of the San Antonio New Town with certain conditions, you will recall. After many hours of hearings, the Council developed some additional questions and concerns. For the past two days representatives of the staff have been working very diligently with representatives of San Antonio Development Agency and San Antonio New Town and addressing themselves to your concerns and to your questions. Mr. Cip Guerra, Associate City Manager, and Charles Stromberg, Chief Planner, will now give you the staff findings and recommendations in this connection.

MR. CIPRIANO GUERRA: Good morning, Mayor and Council members. I'm going to summarize first what we're going to cover so that you'll know where we're going over the materials. I beg your indulgence if you'll hold us to 30 minutes to please let us go through the material before you ask us questions, if you can.

MAYOR BECKER: We can probably stretch the 30 minutes if we have to.

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MR. GUERRA: Yes, sir. We met with the representatives of SANT and we reached an agreement on all the points in the May 11th letter. We also addressed several points you all raised last Monday. We also reviewed the financial plan and have some concerns to that. This is what we're going to cover with you today. With regard to the conditions that we had recommended to you on May 11, we met with the representatives to review the conditions and they have agreed to all the conditions contained in that letter in the following manner; and they agreed to Items I, I-A, I-B, I-D, I-B, II, IV, IX, X, XII, and XIII as written. Now, we'll go over those with you right now. There were modifications to some of the others. Mr. Stromberg will read these items so that we will know what it is that have been agreed to and I'll come in to interject with the modifications.

MR. STROMBERG: "Number one. Discussion should begin immediately to establish check points for the City so that it may assume its proper relationship for review and approval with the other two partners of this joint proposed development's relationship which are SANT and SADA. We propose that the following check points be established so that these items are brought before the Planning Commission and the City Council for review and approval. SANT should submit each aspect of the plan requiring review to the City staff and also make it available to the public through the Office of the City Clerk 30 days before the Public Hearing of the Planning Commission or City Council. The following are those items which are to be reviewed. Item A, approval of the Detailed Project Agreement and Development Plan. Item B, Zoning and Land Use Plan. A detailed Zoning and Land Use Plan for the total project prepared by the developer for review by the Comprehensive Planning staff. When the multi-use zones are appropriate, the square feet or proportions of the various uses such as the convenience retail office and high rise apartments should be detailed. Item C, Detailed Development and Reuse Plans. Before land is cleared, SANT should show proof that each parcel has a builder under contract to start construction of building or buildings within 180 days and that the building or buildings conform to the approved detailed Project Agreement and Development Plan."

MR. GUERRA: This is where we made an addition. And the addition is "on an individual parcel basis the developer may request, and SADA and the City Council may approve, an interim use for a specified period of time."

MAYOR BECKER: So that we can all follow this, where did you just read that from, Cip?

MR. GUERRA: That's attachment one, sir.

MAYOR BECKER: Attachment two.....

MR. GUERRA: The basic letter is attachment two and the changes are all contained in attachment one.

MAYOR BECKER: All right, I see.

MR. STROMBERG: Back to attachment two, Item D, Urban Design Review. "The detailed Project Agreement and Development Plan should contain a section on Urban design. The Urban Design information should go beyond the systems linkages which are assumed to be in the plans listed above and covers the locational and visual relationships of size, shape and relative scale. Additionally, when individual buildings are to be constructed, architectural drawings should be provided to allow judgment to the quality of construction as well as illustrating the harmonious blending of new and old structures. E, Changes in any of the items listed above. Now, we move to the second point. The Environmental Quality and Design Review Committee proposed in the Environmental Impact Statement is designed to exercise controls relating to the builders.

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The City Council should approve the membership of the committee before it goes to HUD. A City staff member should be a part of the committee and the actions and recommendations of the committee should be submitted to the City Manager for staff comments. Item No. 3, In the area of citizen participation the Citizen's Association, which is developer controlled during the development period should not be given or should not assume any powers or responsibilities of the City government or any other governmental agency."

MR. GUERRA: Here we added, "an exception may be granted by the City Council to allow the delivery of services which the City may be unable or may be unwilling to perform."

MR. GRANATA: That's Item 2 of attachment one.

MR. GUERRA: Yes sir.

MR. STROMBERG: Point No. 4. "In regard to present and future government the developer should agree that it will not establish any governmental entity or create a special district within the boundaries of the City of San Antonio for the purpose of providing utilities, such as a Municipal Utility District or for any other purpose. This includes the extension of the boundaries of a Municipal Utility District originally established outside of the boundaries of the City of San Antonio.

Item 5, The scheduling of significant new office, commercial and hotel additions in SANT will have a significant impact on the balance of the Central Business District south of Houston Street. We feel that the concept of the Alamo Plaza Project which has been recently proposed to initiate economic stimulation in the hearts of the Central Business District should be accomplished before other additions of the major office and commercial activities are added on the fringe of the CBD and the area surrounding the Old Ursuline Academy. Once the central stimulation is accomplished, it is felt that additional stimulation in the area of the Ursuline and to the south of the Ursuline would be a fine compliment to balance development in the Central Business District."

MR. GUERRA: Here we made a change. This is Item 3 on attachment one, with reference to that paragraph. After the sentence beginning "that runs in the heart of the Central Business District should be accomplished -----" and we inserted, "if it can be shown to be economically feasible." If you recall, at the time we did not have any appraisals on the property.

MR. STROMBERG: Item 6, There are major differences between the SANT plan and official plans of the City and its agencies. It is necessary that these items covering streets and circulation, mass transit, housing densities and parks be resolved and agreed to with the City before the Inter-Agency Cooperation Agreement is signed by the City, SANT and SADA with the Department of Housing and Urban Development. The most important factor in maintaining the confidence and support of the City is the willingness on the part of SANT to commit itself to a profit determining -----"

MR. GUERRA: Here we changed the phrase that reads "profit determining and limiting mechanisms", to read "profit determining and excessive profit limiting mechanisms", so that we clearly understand that we're concerned with excessive profits. That's Item 4 on attachment one.

MR. STROMBERG: So to continue, "excessive profit limiting mechanisms similar to those that have been accepted by major defense contractors doing work for the Department of the Defense.

Of course, the necessary prerequisite to the development of such mechanisms is a mutually acceptable set of accounting methods, systems and procedures. This review into the agreement process will take place after preliminary approval by HUD which is anticipated by the end of June, 1973.

Item 7, Due to the unavailability to the SANT and SADA financial plan, the City staff is unable to evaluate the financial impact of the plan on the City and we request immediate briefing by SANT and SADA with the City staff that includes the following information so the City staff will be able to make financial evaluations to the City Council."

MR. GUERRA: In this area we have already received all the material we requested in that particular paragraph. We received the material for the main part of it Sunday. So, we initiated the review referred to in this paragraph.

MR. STROMBERG: So, I will not read the Items that we asked to receive because we have received them. I'll go to the bottom of that paragraph. "In this regard it should be understood that the City's maximum financial exposure at this time is \$3,354,568.00 of the Inner Loop Funds, and \$2,287,000.00 of related drainage funds."

MR. PADILLA: Mr. Stromberg, why don't you go ahead and read that paragraph.

MR. STROMBERG: All right, I'll go back and pick up just the items we had asked to be delivered. So I'm going back to asking to make a financial evaluation to the City Council. (1) is an up-to-date copy of the Title VII, Volume III, entitled "Management and Financial" or the current form in which it's being presented to HUD in Washington; (2), the financial section of the SADA Title I application, Items (1) and (2) above, contain detailed year-by-year cash flows for SANT and SADA; (3) the report being prepared for HUD showing the financial impact on all of the local governmental agencies, included in this should be the level of service output and project work to be accomplished by local governmental agencies in each of the 20 years of the SANT project, with these work items detailed to show sources of funds to cover them, that is public, SADA, SANT and so forth. In this regard it should be understood that the City's maximum financial exposure at this time is \$3,354,568.00 of Inner Loop Funds and \$2,287,000.00 of related drainage funds."

MR. GUERRA: Here we added, which is Item 5 on attachment one, "it is also understood that the City will undertake the financial commitment associated with maintenance and services normally provided with the City." This ties in with the fact that we're not permitting the Citizen's Association to undertake some of these services.

MR. STROMBERG: (Continuing) "A question to be answered is the schedule of the tax moratorium so that time limits can be established by the City on individual properties."

MR. GUERRA: This is again Item 5. The next sentence added to this is "Based on the existing projections the redeveloped properties are available to come back on the tax rolls on an incremental basis per year between year 25 and year 50 with all properties back on the tax roll by year 50. The developer and the City staff will study the matter to insure that the property is back on the tax rolls as soon as security debt servicing and acceptable profit standards will permit, such study and agreement to be completed before any commitments to this matter are requested of the City Council or the developer"

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MR. STROMBERG: Item 8, "The concerns of cultural, educational and historic preservation organizations should be addressed by SANT as is being done with the Central and Providence High Schools, who should present results of their evaluations to the City staff which would act as mediator between SANT and these interests."

MR. GUERRA: Here we have added, "SANT agrees to the 8.46 acre plan proposed by Central Catholic and Devine Providence High School providing the funds for acquisition, demolition and clearance at actual cost to SADA are forthcoming within six months of the day of offered commitment. Should such timely provisions of funds not take place, it is understood that all or some part of the subject lands would be available to SADA and the City for inclusion in the SANT plan for residential uses." Now this is the plan that was presented here last week and I have checked this with Father Windisch and Mr. Pat Kennedy, their attorney, and they are satisfied with that arrangement.

MR. STROMBERG: Item 9, "The Urban Renewal Agency should write a letter confirming the statement that this project will not reduce the flow of HUD funds for other projects."

Item 10, "The Urban Renewal Agency is instructed to use three MAI appraisals on this project rather than the usual policy of using two."

Item 11, "So that other local investors can participate in the project, the SANT developer offered to involve other interests...."

MAYOR BECKER: Other investors or other interests?

MR. STROMBERG: Other investors.

MR. GUERRA: We changed, again, this is Item 7, attachment one, the second and third lines to read "should be kept open through the day of the offer commitment by HUD." Then we added: "The offer is to invest in the land development entity and should be on the same terms offered to the original investors which is on a pro-rata basis and subject to the legal requirements for security offerings by the Federal Securities Exchange Commission. Those participating in the land development entity will have the right to participate in the construction entity." This is the summary of the changes. The rest are unchanged.

MR. STROMBERG: Item 12, "The City recognizes that enabling legislation currently under consideration by the State Legislature is essential to this venture. The City Council will review the approved legislation and determine if the mechanisms and procedures it contains are acceptable."

Item 13, "Nothing in the action of City Council approving the SANT Title I application should be construed to be an automatic waiver or otherwise make automatically inoperative any existing procedures, regulations or requirements of the City of San Antonio."

MR. GUERRA: These changes were agreed to yesterday at noon by Mr. Honts and myself and they're contained in attachment one. They are both signed by the City and the representatives from SANT. The next item we wish to cover is, the Council requested certain items that we have identified. One, was the check point list applicable to the SANT developers.....

MAYOR BECKER: This is attachment three.

MR. GUERRA: Yes sir. And this is attachment three and if you want me to, I'll read it.

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MAYOR BECKER: Please.

MR. GUERRA:

Sponsoring Agency: Urban Renewal Agency of the City of San Antonio.

Title VII Sponsor: The redeveloper, San Antonio New Town, Ltd. must have a commitment from the United States Department of Housing and Urban Development for "Title VII guarantees". The Title VII Sponsor must comply with exacting and stringent federally imposed checks and balances to insure financial ability to redevelop in conformance with the Urban Renewal Plan.

Urban Renewal Plan:

Presented for review and approval to:

1. The Board of Commissioners of the Urban Renewal Agency of the City of San Antonio.
2. Planning Commission of the City of San Antonio.
3. The City Council of the City of San Antonio--after a public hearing.
4. The San Antonio, Fort Worth, and Washington, D.C. HUD offices for review and funding.

Contractual Agreements Subject to City Council Approval Between City, SADA and Developer.

1. Cooperation Agreement between SADA and City for execution of the project.
2. Land Acquisition and Disposition agreements and schedules for management, sale or lease to redeveloper.
3. Public Works and Demolition agreements and schedules.
4. Financial agreements to fulfill criteria for applications requesting additional Federal funds, including Open Space, Historic Preservation, Transportation, etc.
5. Agreements by local taxing authorities pertaining to tax evaluation of leasehold interests and payments by the Agency in lieu of taxes.

Checks and Constraints of Redevelopment.

1. Disposition of each property, deed restrictions and type of redevelopment is subject to review and approval of the Board of Commissioners of the Urban Renewal Agency and of the City Council.
2. City may set up a joint public/private project and review process to assure good urban design and quality control.
3. Minor modifications to the Urban Renewal Plan may be made after approval of the Board of Commissioners of the Urban Renewal Agency, the Planning Commission, and the City Council.

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4. Major modifications to the Urban Renewal Plan would require a Public Hearing.
5. Both Federal and State Requirements prohibit any redeveloper profits on sale of unimproved land, thus preventing land speculation and thereby limiting the developer to profits in properties redeveloped according to the Urban Renewal Plan.

The second part of the cover letter deals with attachment, let's see I lost my place here, attachment four.

A Summary of the Areas of Disagreements Between the River Corridor Study and the SANT Proposal.

1. Should a single high density housing program be made in a small part of the River Corridor, or should there be a decentralization and scattering of development throughout the entire River Corridor.
2. Will the public costs of the New Town development, as proposed out weigh its benefits.
3. If a New Town In Town is developed as proposed, it will not improve the "traditional" downtown area; moreover, it will accelerate the decay of the downtown, as well as the remainder of the River Corridor.

Again here, we were asked to outline the differences. We didn't address the response but in our look at it we were satisfied that these three conditions can be dealt with, or have been dealt with. Back to your cover letter. You asked for a summary of what constitutes a slum area and I will ask Mr. Art Troilo to cover that item.

MR. ART TROILO: Mr. Mayor and members of the Council, on attachment five are set out some of the legal definitions that the Council had question about last week. Since the power of eminent domain is intended to be used, it can only be used by the San Antonio Development Agency in areas that are defined as slum areas. The purpose of attachment five is to bring to your attention the definition and existing law of slum area and to indicate that where there is a finding that there is over 50% of slum and blighted characteristics to an area that it is and has been held to be a public purpose in this state to condemn private property for the purpose of clearing these slum and blighted areas. If there are any questions about that, I will be glad to answer them. But this the exercise of the power of eminent domain which has been done in the other half a dozen Urban Renewal projects over the years, and it's been tested in the courts, in the Texas Supreme Court and the United State Supreme Court. It is the law of the land. So there is no question about the, once the findings are made and if they're based on substantial evidence that the Agency can exercise these powers.

MR. PADILLA: I have a question, Mr. Troilo, since you offered. I wish I had it with me so that I could read from it because sometimes I lose some of these terms in trying to remember them over a period of days. I understand the enabling legislation provides for what you described plus the additional paragraph whereby almost by edict, so to speak, an area can be declared an Urban Renewal area or a slum area by reference more than anything else because it encompasses the provisions of the 1970 Community Development Act, is it?

MR. TROILO: That's correct.

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MR. PADILLA: All right, if indeed we include an area in this Federal Act and we have the enabling legislation which may be forthcoming, then the area wouldn't necessarily have to be slum or anything else. Under the old definitions of what constitutes Urban Renewal that would be the case, but under the Federal legislation and the forthcoming State legislation, and we're anticipating that, it wouldn't necessarily be defined as a slum area. Would it? We would just have to say that it somehow meets the overall benefit of the community and that it will be included, we declare that its included in the 1970 Community Development Act.

MR. TROILO: Mr. Padilla, the proposed amendments include the present definition of slum and blighted. They do expand the definition to include those kinds of properties which in the Federal statute are permitted to be included that may not be perse slum or blighted. They're set out in the Federal statute, such as, examples would be open spaces that are not being used according to the proposed redevelopment plan. This would cover the parking lot situations where perse it's not a slum or blighted piece of property because it has no improvements on it, but it's needed in order to create a block to do a housing project. It would enable you to take that kind of a property. It would enable you to take excess railroad rights of way, flood lands that are not perse slum and blighted along the River, for instance, where the drainage situation is poor to be used for other purposes that you approve of in the plan. The trigger here is that you have an overall plan of redevelopment.

MR. PADILLA: But theoretically again, as one property may not be slum and blighted and it could be included in an area by so stating that we wish to participate under the 1970 Federal Act. Then, theoretically, we could take a whole area, we could square mile and by just merely saying we're going to include it under the Federal statute of 1970, then theoretically again, the whole area might not have a single slum and blighted building on it, but we could declare it eligible for Urban Renewal in this form. Could we not?

MR. TROILO: Well, Mr. Padilla, it is such a remote situation. It is theoretically possible but it is such a remote situation....

MR. PADILLA: And it becomes less remote as we take land away from it because the truth is some combination. If we have a half and half situation, it is not so theoretical any more. Isn't that possible?

MR. TROILO: Mr. Padilla, if you just take the existing law, if that definition is not enlarged there is no question. I want to be very clear about it that under the existing law standard buildings can be taken and have been taken under the slum clearance and redevelopment powers of this City which are being exercised by the Urban Renewal Agency. The courts have said that if an area is over 50% blighted and that these conditions concerning crime, fire, problems, dangers to health, welfare of the citizens, dilapidated buildings and structures, etc., as is set out in these definitions that I gave you, then the entire area can be taken which may include some standard buildings. This has been upheld by the courts continually and I listed one of the leading cases of the Supreme Court for your examination. We have been challenged on this before.

MR. GUERRA: Both items addressed by Mr. Troilo are attachments 5 and 6 as referred to in our cover letter. In going back to the cover letter, Item 2, the Council requested the staff address itself to the tax moratorium issue.

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The best we could do with the time available is reflected in paragraph five of attachment 1 which we have already read to you. The latest financial plan was delivered to us on Sunday afternoon, May 13, 1973. A summary of the results were a preliminary review is attached. Now, that's attachment 7 and if you wish those read, I will read them at this time.

MAYOR BECKER: I think it will be well to do, please.

MR. GUERRA: All right sir. It's the staff position of said financial report received by City staff Sunday, May 13, 1973.

1. SANT should clarify the meaning of the column "Amount to Sinking Fund (For Land Purchase)" which Mr. Honts called "profits" in the 5/14/73 City Council meeting. If this \$21,298,600 is for the purchase of land, SANT should agree to specify when the purchases will be made (shown as possible between years 22 and 50) and thus when these parcels will return to the tax rolls.
2. The ten year land purchase period by SADA is too long to be reasonable for the citizens currently owning the property. The January 1973 plan showed a three year purchase period which is as long as could be considered reasonable.
3. The take down period stated on Page 8 is "over a period not to exceed five years from the purchase date of the last parcel of land". This period is excessive and should conform much more closely to the time period of SADA land purchases.
4. What is the asset coverage for the SANT and SADA loans, recognizing that the lease (P. 2) will be subordinated by SANT to obtain long terms financing for the constructive entity?
5. The Section 102 definitive loan is accomplished by bonds issued by SADA which are guaranteed by the City of San Antonio (P. 22). What impact does this have on the City's bond rating?
6. The SADA cash flow "Est. Present Taxes Upon Land Acquisition" appears to be in error since much of the property will be in the hands of SADA for over one year, which means there is no source of tax payments for a large portion of the amounts shown.
7. On Page 21 the statement "That the in lieu of tax payments be dedicated to the ultimate repayment of the Section 102 temporary and definitive loans" is not consistent with the SADA schedule on Page 55 which shows them being paid to the City and County.
8. The statement on Page 21 that all future tax increment go toward the repayment of the definitive loan obtained by SADA does not agree with the two cash flow statements (P. 40 and 55) which assume that a large portion of the tax increments are used to pay off the SANT debts.

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9. The lease payment from SADA to SANT should be tied more directly to the value of the lease (considering guidelines such as the HUD 7% of the 20 million property value) rather than using the column on the cash flow as a "balancing item". This type of principle is very important if profit monitoring mechanisms are to be successfully constructed.
10. All of the figures are required by HUD to be in constant 1973 dollars (not include inflation factors for later years). Contracts will need to include allowance for inflation factors and possible increases in local tax levels.

Attached to that are the two Key Tables that we received in regards to cash flows. Now, these are concerns at this point. We, in fairness to the developer, we have not had a chance to sit down and address each one of these, but I hope it shows that the staff can take adequate attention to the plan in identified areas concern for you.

That concludes the items we have to present to you. The closing paragraph in our letter reads, "The City staff recommends approval of the San Antonio New Town (SANT's) Urban Renewal Plan, subject to the conditions, agreements and concerns summarized in Attachments 1, 2, and 7 respectively. The following factors are the basis for our recommendations to the City Council.

- A. If the City does not take action to bring these FY 1973 Federal Funds to San Antonio at this time, there may not be funds of this magnitude available for several years. This is a unique opportunity which we do not expect to be repeated in the anticipated Community Development of Revenue Sharing Act.
- B. Approval of the plan at this time does not obligate any City funds. Approval does constitute a commitment, but the City Council will have to take additional action in the future to actually direct the obligation and/or expenditure funds.
- C. Approval of the plan will keep the proposal alive and will provide additional time for City Council and staff to study and modify the plan.
- C. The agreements reached in recent days with SANT developers. That's all I have gentlemen.

MAYOR BECKER: Thank you, sir. Anyone have any questions of Mr. Guerra?

DR. SAN MARTIN: Mr. Mayor, I'd like to make a statement at this time in view of the last statement made by the recommendations of the staff by Mr. Cipriano Guerra, especially in the second section of your cover letter it says: (a) If the City does not take action to bring this FY 1973 Federal funds to San Antonio at this time there may not be any funds of this magnitude available for several years." I'd like to enter into the records of this presentation a statement that was given to me by Congressman Gonzales yesterday in Washington at 7:00 P.M., a copy of which I gave Mayor Becker. Why he has not received the telegram is something I don't understand. Western Union must be very slow these days. Congressman Gonzales gave me this and I'm sure that it's for the interest of every member of this Council and of this hearing and I'm going to read it. "Honorable Charles Becker, Mayor of the City of San Antonio. In discussion of San Antonio New Town Project last week, references were made to a June 30 Federal deadline. I am aware of no such deadline for Title 7 guarantees. Other Federal funds mentioned in the project proposal come from Open Space and similar categorical grant programs that were canceled as of January 5, by the order of the President. I see no reason

to believe that HUD could place a June 30 deadline on the Title 7 program which continues in fiscal 1974 or on categorical grants which were discontinued last January 5. So as far as I can tell, any such deadlines are mythical. I appreciate your consideration of this and urge that the Council seek clarification on how this supposed deadline came to exist and on whose authority it was established." I was able to discuss this not only with Congressman Gonzales but with his chief assistant and other members of his staff and they were very much concerned on this particular item. Now, I was hoping that if this telegram was in the hands of Mayor Becker that it should have been available before but apparently it is not and for that reason I want to enter this into the records of this proceeding for the benefit of everybody. Thank you, Mayor.

MAYOR BECKER: Thank you. Does anyone care to speak to this subject?

MR. WINSTON MARTIN: The statements, I understood, and I had a chance to be with Dr. San Martin yesterday when it was prepared, is correct and there is no moratorium on the Title VII program. This is not placed on moratorium at all. The funds that are in the 16 million categorical grants under Title I were estopped as of January 5. My understanding in talking to the SANT developers is that they have been encouraged to assume by HUD that they can go to the office of management of budget and get release of the 16 million dollars that was listed under categorical grant programs to carry out the New Town project. So this is what the Congressman is referring to as to money that is presently frozen that they have been assured by HUD could be released to the SANT redeveloper or to the project for the purpose of doing it. Now, there is a moratorium on the 3.5 million that is the Title I Urban Renewal funds. This is the congressional hearing or sub-committee on housing hearing at which time and we even received a copy to tell us there would be no new renewal programs. However, the March 31 deadline must be held and that's the minimum that shall be granted under any circumstances other than those listed above. Under no conditions will a waiver be granted that could result in execution of a loan and grant contract after June 30, 1973. That applies to the 3.5 million Title I renewal money. It does not apply to your Title VII program nor does it apply to the already impounded money. Now, whatever agreement the SANT developer has had from HUD, we have not seen it in writing. We're under the assumption that they're dealing directly with Washington on this. You may want to speak to that. But there is a moratorium that the 3.5 million and the funds that are under your Title I renewal program as of June 30, which would be July 1.

MR. GUERRA: I would like to ask you one thing.

MR. MARTIN: Yes sir.

MR. GUERRA: In using the phrase "this magnitude" the other thing to consider is the fact that here we're talking about 14 million dollars in grants and in the proposed New Community Act at this point the figure we have been given is that we will receive the total of around 9.5 million over a period of two years. There is a difference in magnitude.

MR. MARTIN: Do you have any other questions?

MAYOR BECKER: Anyone have any questions?

MR. PADILLA: I would like to comment that on that last point. I see no inconsistency. I think it's been said many times here that Title VII funds are not based on the moratorium but rather on the other things which I'll just clarify once again, and I see no inconsistency there.

I think there was some kind of a breakdown in communications or a misunderstanding because on that point, I think, the developers have been clear enough. With the exception of the one point that I did make which did not seem to matter or anything else and that is to the effect that they feel that HUD can break those funds loose for them. Can you shed any light on that, Bob, or is that just a gut feeling that you people have?

MR. BOB HONTS: Yes, sir, and Councilman Padilla the key element on June 30 is, as Mr. Martin read, that no waiver would be granted on grant or loan contract and you see the 36 million dollars of Title I Section 102 would be wrapped up in that too. So, it's not only the 3.5 million of Title I grants, the 36 million dollars of Title I loan that will die on June 30. In addition to that in one additional exception and that is that there is about a 3.5 million dollar New Community supplemental grant, a 20% kicker on top of each of the other grants that also dies under the President's moratorium. So, the statement that was read was correct in terms of guarantees under Title VII but the other grants in essence to die. About 7 million dollars of grants and 32 million dollars in loans die on June 30.

MR. PADILLA: Loan guarantees?

MR. HONTS: Loan guarantees, that's correct. Now your question, sir, with respect to the commitments from HUD. HUD is poised to see what the Council does to attempt to get the acceptance from OMB on both funds already frozen and on the approval of the Urban Renewal programs that would come up as of June 30. So the results of that I don't....(INAUDIBLE) will, of course, depend on a number of factors.

MAYOR BECKER: Any questions?

MRS. LILA COCKRELL: Mr. Mayor, at this time I would like to move that the Council disapprove the pending proposal. I would like to state my reasons.

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This Council has devoted hours and hours of study to this particular proposal. Perhaps more than any other plan we have considered in depth of the various alternatives, the various specifics under the plan. In particular, there are two aspects of the plan, with which I cannot really go forward. The first is certain aspects of the financial plan. The staff position on the staff's financial report which is Attachment Seven, it seems to me leaves a great many substantive questions unanswered or answered in a fashion which I will have to say I find unacceptable. One of the questions which I have raised in the question of the tax moratorium and the best answer that has been arrived at is that in the future there will be an attempt to work out a satisfactory arrangement based on a minimum of twenty five years and a maximum of fifty years that this property would remain off the tax rolls in the standard sense but that payments in lieu of taxes would be paid. I find this a situation which is difficult to equate with the people's interest.

In terms of the basic design concept of the plan there is one area which has been of concern to me and which I do not yet feel is resolved, and that is the question which was raised by the River Corridor Consultant of whether or not the business and office development that is projected under the New Town plan will, in fact, constitute a hazard or threat to existing and future redevelopment of the downtown area, this central business district. Actually, the housing and cultural and educational aspects of the plan I would find entirely complimentary and I commend those. I think that they're excellent. I think there is question as to whether or not this development of the close in business and office complex will not prove to be a real competitor to development in the downtown sector as we today understand the downtown.

So, for these two reasons, the major concern of the unanswered questions or at least answered in a fashion which I personally cannot accept on the financial plan and then the problem of the competition to the downtown, I am moving that this plan be disapproved. I would like to state that I would be happy to, in a second motion, move that we ask the staff's consideration of the possibility of the City taking over the role of developer as has been offered by the New Town developer. This, of course, would eliminate my problems possibly in the financial plan that I have now. Although it might create new ones which would be found out in their studies. The problem of the competition with the downtown business district might still be there and we would have to see if that could be resolved. But, at the present time, I'm offering the motion that the plan be disapproved.

DR. SAN MARTIN: Mr. Mayor, I'd like to second the first motion of Mrs. Cockrell by adding my own comment that beside her objections, I'd also like to add another objection that the enabling legislation could create, perhaps, a situation with which we could not live for a long time. On the second motion, I'd like to second it with a stipulation that the City do not, at any time, undertake any action of this type until the complete master plan of the City be updated. I understand that the master plan of the City of San Antonio has not been updated in over ten years or so, which is not only a neglect of the provisions of the City Charter, but just a plain carelessness to the administration of the affairs of the community. And, until the master plan is updated in all its aspects, I don't think the City should undertake any project of this nature.

MR. BECKMANN: Mr. Mayor, -----

MAYOR BECKER: Yes, sir.

MR. BECKMANN: I'd like to offer a substitute motion. In light of the fact that this Council has methodically, tediously and extensively investigated San Antonio New Town, and that this Council in its desire to start the wheels in motion for the revitalization of our City's downtown area, and that San Antonio New Town offers the best opportunity available for positive action in this effort to bring back residents to

the downtown area, create better jobs for its citizens and to improve the environment and ecology for the City and all of this available in an exciting and challenging manner, I do hereby move that this Council adopt San Antonio New Town as presented, with all the proper checkpoints and other protective measures to be used to assure maximum benefit to the citizens of San Antonio.

DR. SAN MARTIN: Point of order, Mr. Mayor, you are contesting number one motion Mrs. Cockrell made to.

MR. PADILLA: Point of order. Dr. San Martin, Mr. Mayor, point of order. I think Mrs. Cockrell referred to a motion she would be happy to make in the future.

MRS. COCKRELL: I made the motion.

MR. PADILLA: You can't make two motions.

MRS. COCKRELL: I made my motion.

MR. PADILLA: The motion that you made that Mr. Beckmann offered a substitute for, I want to get clear in my own mind.

MAYOR BECKER: It was a motion -----

MR. PADILLA: To turn the application down.

MRS. COCKRELL: Yes, my motion if you'd like me to restate it, my original motion was that the City Council disapprove the pending application. I did state that following the vote on this motion it was my intent to go forward and later offer a motion that we ask the City staff to review the financial and legal implications of the City taking over the role of developer.

MAYOR BECKER: Then Dr. San Martin made his second.

MR. MENDOZA: Mr. Mayor, in order to vote on the number one motion, I'd like a clarification. It seems to me that I can appreciate the fact that the whole project is up in the air and up for grabs and I guess you could say a number of other things. But, I'd like to get a clarification as to the thinking of the Legal Department as to the legality of this on the second motion that Mrs. Cockrell has made. Now, I certainly feel that the fact that the City has an opportunity to take this project over. Certainly, in my opinion, I would consider that before I would consider anything else. So, Mr. Walker, could you give us your thinking on that.

CITY ATTORNEY HOWARD WALKER: Mrs. Cockrell has not yet made a second motion. She's only made one legal motion.

MR. MENDOZA: Well that's -----

REV. BLACK: Well, then, I would like to second the motion, the substitute motion and I'd like to simply address that motion. Because of the options that we have, if this motion does not pass and also because of the issues that the motion addresses, it seems to me that the proposal that is made by the staff makes a very significant change in what has been occurring in terms of Urban Renewal development. One, is that it places the developer out front. It puts him where everybody can see it. It announces his relationship to the development, and therefore, puts him under public surveillance, makes him accountable to that community for the kind of development that is taking place in the community. I consider this an improvement over what I see happening in other Urban Renewal developments. Because in many instances, we're not even able to define who's doing the development. And we're not able to actually look at and know how to deal with that development. It seems to me that this places the developer out front-- puts it where the public can see it and the people themselves can be

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knowledgeable of what is taking place. In addition to this, it seems to me that we have addressed every possible checkpoint in dealing with the public and private interests, and the substantive arguments have been resolved. It would be tragic, in my opinion, to ... (INAUDIBLE) ... the economic development of this community in simply seeking to resolve this issue by denying this kind of relationship. I rather feel that we have employment problems ahead of us and this proposal addresses some of those needs, and therefore, I personally support the substitute motion and would encourage its passage.

MR. PADILLA: Mr. Mayor, I have sat, as we all have, through many, many hours of this, and I have voiced my concerns about it and they are very, very close to the two areas of concern that Mrs. Cockrell outlined. That was, one, the financial plan and I think the City staff has done a fairly good job of trying to cover some aspects of that this morning, and, two, the impact that this type of development will have in the downtown area. I think I voiced it several days ago when I voiced the concern that it not just laterally move in one direction or another. I also said that I could see many, many positive aspects to this thing in terms of not only what it will do but what it will encourage and the future development that it might bring, the jobs that it might bring that we so obviously need in this town, a better tax base years in the future. I think we are seeing demonstrated that this Council and, hopefully, future Councils can get a fairly good grip on something like this and can lead the way. To see to it that proper safeguards are exercised I think we have encouraged staff and directed staff to do many of the things that had to be done to the plan even at this time. But I think the point is that we have demonstrated that Councils can get a firm grip on this thing and that they can give it the kind of direction it needs.

This is what I have been grasping for. This is what I have been looking for. This is what I have been hoping that we would do and that is lead the way, perhaps chart the course, because there's never been any doubt in my mind that as far as \$70 to \$80 million of development in San Antonio almost anywhere but particularly in the core area of the City. This is something we just have to have. I've come to the point where I believe I've developed the kind of confidence that we can, indeed, make this thing move in the right direction and with the proper safeguard. So, I'm going to support Mr. Beckmann's motion, and I would encourage the rest of you to do so.

MR. MENDOZA: Mr. Mayor, I'd like to say that the developers have indicated that they're willing to let the City take this project over and see it through with their assistance and in the best interests of this community. I can't find myself voting for a different motion other than to allow the City to take this over. That's my position on this.

MR. MORTON: Mr. Mayor, if I may, I would like to state my position on this. I think when they offered to allow the City to take this over or to continue with the project themselves, it seems to me that they put the ball back in our court. There was no question about that. In doing this, I think, really what they're saying is okay, we gave you the opportunity, if you wanted to do it yourself, to do so, with no holds barred. If we say no to that proposition, really what we're saying is that we have lead these people down the primrose path into thinking, or the previous Council did if we're an extension of it, into thinking that we even wanted a New Town period in this particular location. It seems to me that they're really putting the burden on us, do we want New Town, that is the essence of the question under the terms that may be available to us. Really what we're talking about here, we're talking about a completely new concept in funding SADA or what was formerly Urban Renewal in the future. Those funds just may not be available as they have been in the past. So, what we're looking at here is the possibility of our securing special grants for approximately \$15 million that, let's say we feel we have a chance to get. That's really it, isn't it? And, that's really what we're buying as I see it regardless of which way we go. I think, really, what I'm saying I would be in favor of this time of keeping our option open on the question of whether we go with these developers or the City does it itself. Very frankly, the City getting into the development business doesn't necessarily mean this is going to be the cheapest for the taxpayers. So, I'd like to keep our options open on that and I would just like to ask this question if I may of the developers. Really, what are we talking about that needs to be done assuming you had our support on New Town with or without the private developers between now and the time that we will have the answer to the question in case you did it on the State legislation needs to be resolved and, two, on the question of whether do or don't get the grant.

MR. HONTS: Councilman Morton, this is an opinion which is just that because there are a number of factors here obviously not in our control. It's my opinion that you would need to adopt the Urban Renewal plan whether it be a public or private developer. It's my opinion that you would need to indicate your support of the proposed legislation or some immediate modification thereof that would leave your option open for both public or private development, and obviously, communicate to HUD that you do want to pursue under a private or public option the New Town. It's further my opinion that HUD probably would be very willing to accept the either/or possibility or some combination thereof and resolve that question with the City leadership later, but those things would have to happen or one or two other things would make it impossible to move the legislation. The legislative session would close; the environmental statement would not circulate in ten or 15 days and so on.

MR. PADILLA: Mr. Mayor, I would like, if it is alright, I know it's irregular. Some of us may want to know the answer to this and I've stated my position but it occurs to me that some others might find it helpful, and that is just what is the reaction time and so forth. Some of us may be assuming that City staff can jump right in and take this thing over and save it and the whole bit, and yet there hasn't been a single question asked the City staff or Urban Renewal or anyone else, just what the reaction time is, how fast will they be prepared to take over this thing if this is the direction this Council gives them, and what kind of job do they feel they can do with it and can they get in under the wires. I'd like to ask that of them at this time if it's in order at this time.

CITY MANAGER GRANATA: Mr. Mayor and Council, I wish I knew all those answers to those questions myself. It's an entirely new concept, the ones that first come to my mind, of course, is the enabling legislation. That's an immediate step we'd have to take, to go to Austin to ask them to support something that would allow this. Other questions that came to my mind since I first heard of it yesterday afternoon and we haven't had a thing, any time to look into it all since we've been working on this recommendation this morning. I'm not sure in my mind where the lead money would come from, the 7.2 million, we'd have to find a way to finance that if I understand it. That's all I can give you at this time unless Mr. Walker has some additional comments that he might make.

MR. HOWARD WALKER: No, not particularly. The 7.2 million has to be resolved. There's no question about it.

MR. PADILLA: What I'm going to ask you is, would we have to be in a position before HUD will commit to these loan guarantees and so forth and get in under the wire would we have to be in a position to go, then with an entity in this case, a public entity, perhaps yours, and further to guarantee them that we would be able to have the front money if they go ahead and approve this.

MR. MARTIN: Number one, the City would not have to have \$7.2 million. (INAUDIBLE)...money. We do have to come up with all of the other loans and everything. No question about it. We'd have to answer the same questions whether it's a public agency as the private agency does. But in answer to your direct question as to how we would go to HUD, my understanding, and as I listen to Mr. Honts, was that we would go with a either/or application, either a private redeveloper if it works out that we can answer the questions the Council has asked regarding SANT, or if not, the City would act as a sponsor with the idea that HUD would approve an either/or application at this point. There isn't any way that we, by this deadline, can come up with a structured City approach to this thing, unless we simply adopted everything that's been done by the private developer to this point and submitted it as ours. But I got the impression from Mr. Honts, and this is his guesstimate, as he said, that HUD would consider your application stating that one of the two would happen. Either you will go ahead as you resolved your differences with reference to New Town developer and he will be the sponsor of the Title VII, or you will take over as sponsor of the Title VII and pursue it in that manner after we find out how we finance it.

MRS. COCKRELL: Mr. Mayor, may I ask the City Attorney whether or not having this option in, does he feel we will have fulfilled our commitment insofar as the public hearing if we now change the option as to who is to be developer?

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MR. WALKER: You raised a question there that's difficult to answer, Mrs. Cockrell, for this reason. If the basic plan does not change by virtue of this then I think your one public hearing would satisfy the requirements. However, if there is a basic plan, for example, the 7.5 million will come out presumably, but it has to be made up from some source, either Urban Renewal borrows more money or somebody borrows more money. That money has to be made up. Now, that is an entirely different concept and if that is one of the alternate proposals, then perhaps it requires further hearings. I just don't know.

MR. PADILLA: Howard, when you change something as basic as the applicant, don't you, in effect, change the basic thing?

MR. WALKER: That, of course, depends on HUD's reaction to it, Councilman. I don't know what HUD's reaction to this thing would be.

MR. PADILLA: I'm thinking in terms of what the City requires insofar as a public hearing is concerned. You say that if basically we don't change the plan, we wouldn't require any additional public hearing, but I'm asking you if we change something as basic as the applicant, are we, doomed to change the plan in a major sort of way.

MR. WALKER: I would think not as long as the plan remains substantially the same. In other words, if you were to have another public hearing, you change the sponsor, and you have another public hearing, you couldn't possibly put out subjects that you haven't already put out here. There's just not anything else to put out.

MR. PADILLA: You think we've learned everything, Howard?

MR. TROILO: I'd like to clarify one item as attorney for the agency, the applicant, under this ordinance that you're asked to pass upon, is the Urban Renewal Agency for Title I money to do the community development side of the project. The developer that is going to do the other part of it makes his applications direct to Washington. We're asking to be passed on today under the present plan is to approve the boundaries of the plan and approve certain activities to go on in there. How are those going to be financed and redeveloped are going to have to have some other Federal programs involved. So, the applicant today is the City and the Urban Renewal Agency for Title I for the \$16 million side of this.

MR. PADILLA: Are you, in effect, saying then that we are defining the boundaries, etc. and if this Council should pass the action that's been presented to it that in effect again, theoretically, I guess, the private developers could make their own applications and we would not be limited by law from making our own application?

MR. TROILO: Mr. Padilla, if we take it over a new role, and it would be a new role for a City or an agency to actually do the redevelopment, then in order to obtain loans on the what you call the Title VII part of HUD then we would have to comply and give all kinds of assurances that the properties would be redeveloped. But the boundaries and all, the only legal actions that can ever be taken are the actions of this Council authorizes within the boundaries that they set. Other actions that are financed can be done by negotiation or by agreement, but not by force. The boundaries that you set are the boundaries for community development activity.

MR. PADILLA: Let me phrase that in a different way. If we take the action that everyone originally asked this Council to take, does that in any way prejudice or preclude the City from making application as a public agency to be a developer?

MR. TROILO: No, sir, it does not.

MR. PADILLA: So, we're indeed not deciding who the developer is today are we?

MR. TROILO: No we're not. The plan as presented envisions, the SANT redeveloper. No question about it. That is the way you're going to implement the plan but the plan itself decides very basic things about this area. You could later on if it were financially feasible other redeveloper or groups of redevelopers.

MR. PADILLA: Or a public agency.

MR. TROILO: Right. If the City had a feasible financial way to do it.

MR. PADILLA: Then we're not. This doesn't preclude nor are we prejudicing the City's right to, so to speak, go to HUD with a public agency to be the developer.

MR. TROILO: No sir, it's not because you've no commitment yet from HUD. You have no offer of commitment to the private redeveloper or the City.

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Those things have to be bargained out and if the City passes the motion that it should be an either/or proposition, in my opinion, HUD would be the one to decide whether an either/or proposition is viable and which one they'll go with.

MAYOR BECKER: Rev. Black.

REV. BLACK: I was simply trying to see and understand the substantive difference the City being a redeveloper and having private developers because it seems to me that it might give the illusion of great accountability without really being any more accountable than this project already has in terms of working relationships between private industry and public agencies. In the final analysis it seems to me that the authority and the power still rests in the area of that power that is given to public agencies and with those guide lines, it seems to me, that you're really not making a substantive change. Now I can understand the options but I don't see with terms where you carry out the program which is actually carried out and there is, you know, I can listen to a lot of words about what it is in abstract, but, I'm talking about the actual performance of the program. I don't think there is any basic substantive changes made.

MAYOR BECKER: Now ladies Yes, Mrs. Cockrell.

MRS. COCKRELL: I was going to answer that it seems to me that there are quite a few differences. In the first place what we would be doing under this particular plan is we would be acquiring land which is now in private ownership. We would be offering a contract to a single redeveloper and we would be offering that developer a moratorium of 25 to 50 years of paying only the taxes which are presently on the property or at a slightly increased rate of payment which has already been determined. Now, this procedure has not been followed in any Urban Renewal program that I am aware of before. It's a totally new concept and I think that one feature there is a major difference to me.

MAYOR BECKER: May I speak in behalf of Mrs. Cockrell's motion. I have two main concerns in this whole project. One of them I voiced from the very outset and that is that, in my opinion, the downtown San Antonio area as we know it, and I hate to be repetitive, but I must reiterate it for the benefit of this discussion and as I've said before I'm not a traditionalist by nature, but in the interest of preserving the rights of leasees and lessors, property owners, and what we know as being downtown central business district and that I roughly define as Travis Street, Houston Street, Commerce Street and Market Street. My first concern when I first heard about this, being a member of the last City Council, was what are we going to do with those four streets. As we progressed through this thing we have progressed from the eastern part of the City, around in a direction this way and finally it had the fluidity of mercury on a flat surface. I've not been able yet to find any interest in the preservation, resurrection, or the revitalization of the downtown business district as it's presently known.

Now, I know what's happened in Houston when Foleys moved from one end of Main Street, I think it is in Houston, closed down an old store and moved to the other end of Main Street, they literally killed the old part of Houston and moved and took everything with them to the new part of Main Street. It lay dormant the store that was owned by Allied Stores, a Joskes' store which later they transferred to Nieman-Marcus much to the regret, I think, of Nieman-Marcus but, nevertheless, they were able to get out from under. This project first envisioned seventy some odd thousand square feet of retail area. That was my explanation of it. I was told that and I don't think I misunderstood. It was to have contained a convenience store, which we know as ice houses. It was to have contained a drug store, a five and ten cent store, variety store, a small grocery store and things of that nature. Seventy thousand square feet. This seventy thousand square feet has now grown to where it includes over a period of time which I must confess is a protracted period of time, fifty years whatever it happens

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to be, of 800,000 square feet of retail space and 1,200,000 square feet of office space. I fail to see that in this area there is any direct relationship between what's to occur in this particular plan and where we are at present with the downtown business district such as Houston, Travis, Commerce and Market.

Now I appreciate that over this time span many things will happen, many things will change. Were this to happen immediately and were, by some fortuitous stroke of good fortune for perhaps the developers, perhaps even the City of San Antonio, if this were able to be developed immediately, there is no doubt in my humble opinion whatsoever that it would render what we traditionally know as the central business district almost helpless and useless as a viable retail entity.

Now, the other feature of this thing that I quarrel with is what's known as this tax moratorium situation. I do not personally see the necessity for having to have this as a basic and inherent part of this program. I develop things, others of us on this Council develop things, others of you in the audience develop things and to the best of my recollection I have never yet received a tax moratorium on any properties that I have ever developed nor have I asked for any. And I hope to heavens I never have to because I don't approve of it. I think that if you develop something, if you're deriving benefits from those taxable properties and those situations then you should be willing to pay taxes on them.

Now, in this nation of ours we're living in a series of paradoxes today. On one hand, we're decrying the devaluation of the dollar for the second time in sixteen months worldwide. Our government is not what it use to be. I don't think anyone will deny that. We have much unrest in Washington, today, with respect to certain investigations that are being held and whether we're Republican or Democrat, we must admit that there are certain aspects of recent occurrences in our government that are anything but healthy or salutary as far as the average citizen is concerned. We criticize the people who are in office and yet very few of us have the willingness to give of our time to run for public office, to help bring about any remedial action. We criticize the tax programs in the nation. We say that taxes are too high and yet we continually go to the feed trough and ask for more government grants, more federal handouts, and more free money as if it were free and there certainly is a falacious aspect to that if there ever was. The government is the people and the people make the government and the only reason the government of the United States is able to succeed as it does in today's present condition is because we as tax payers are continuing to pay regularly every year and have not gone on a strike as they did during the Boston Tea Party. I decry this dependency upon federal grants as the only method upon which to ever achieve anything. I cannot concur with this. It's completely alien and foreign to my training and up bringing and I must say that I'm not in tune with the times perhaps and perhaps lack understanding in that connection. Now were we to lose these federal grants as of this time, I don't think it would spell the doom and the end of the earth and the world as far as the City of San Antonio is concerned. I'm reading a book now, The Second American Revolution, and I'm still on page 14. I've been on page 14 now for three weeks, since I took this job, but in it John D. Rockefeller, III defines the word crisis. In the Chinese language is made up of two characters. One, the first character says dangerous, the second character that comprises the word crisis says opportunity. Now, I view this situation as being an opportunity for San Antonio to prove to itself, and to the City as a whole that we are indeed capable of doing things without always expecting the federal government to bail us out and come to our rescue. These projects are being accomplished in other cities throughout the United States

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without the assistance of federal funds and without the assistance and the complete dependency upon money coming out of the blue, so to speak. In this connection, whether this does or does not pass today has no bearing on what I am going to offer at this point. I'm not taking this opportunity to grandstand because, believe me, when you are in the limelight up here as much as we have been lately, no one has to go out of their way to get their picture taken or get quoted in the newspaper.

Last January 29, 1972, I had a breakfast at the Brittany Buffet one morning in which I invited as many of the civic leaders of this City as I could muster together and some 125 people attended. It was in the neighborhood of 125 people. At that time the Corporation that I represent, offered to contribute to a "seed money fund" \$25,000 a year for six years to begin and commence the downtown revitalization and rejuvenation of the downtown area. I want it made plain and understood by one and all that my company, the real estate company that I represent nor any subsidiary corporations have any interest in one square inch of downtown real estate in any way, shape, fashion or form. We do not own any now. The store that's in back of the Auditorium, we have leased from the Sullivan Estate since 1930 something. We do not own that, we are simply there as tenants. I am not attempting to acquire any downtown property. It is not that I don't want it, it is just that I'm not asking for it.

Now, subsequent to this situation developing here yesterday where it looked like the boat was leaving the dock, in lieu of a plan that might not be accepted, I've contacted several people in this City. Some I had to reach by long distance. I contacted Walter McAllister, Sr., Tom Frost, Jr., whom I contacted in Corpus, Jerry Erler, who I contacted in Fort Lauderdale, Florida, Mr. McCormick of Joske's of Texas, who is here, who has called his Executive Vice President-got him out of sick bed at home. I've contacted Mr. Milton Brenner, Mr. Corky Sledge, Mr. Jim Dement and Mr. Morris Jaffey and several other people including Tramel Crow in Dallas and various people. Now, many of these people have pledged money to help with this program that I tried to initiate here some year and a half ago, approximately. That is a private, non-profit, redevelopment agency which would not in any way interest itself in the acquisition of any properties, which would be a community sponsored effort as is the United Fund or any charitable drive where no one is the recipient of any largess or lagniappe or anything that might happen to spin off other than what is good for San Antonio is good for all of us living in it. Whether it occurs in the downtown district or whether it occurs in the peripheral area, suburban area of the City. I think that this should be considered in a positive manner. I'm not offering it as an alternative proposal or substitute motion or anything else. I'm merely stating facts as to what has been attempted to be brought about here.

So, whether this does or does not pass I'm prepared today to offer to Mr. Walter McAllister, Sr. a check for \$25,000 to continue and renew my offer that I made a year and a half ago. The check is made to Walter W. McAllister, Trustee. You hold it as you see fit, Mr. Mac, Mayor Mac, if I may, and whether we do or don't get this project off the ground I think it's high time to start dealing in a positive way with private capital and stop talking about all these things and get something done.

I'm looking and hoping for something that will take two to three years to accomplish or at least get the first initial stages completed without having to wait 25 or 50 years, because at the age of 53 and at the rate I'm going I don't think I can look forward to another 50 years of longevity on this earth. So, there's an old saying, and I don't mean to offend anybody, "talk's cheap but it takes money to buy whiskey." Let's see, one way or the other, which way we're going to go here and then let's proceed also with this other project. I have commitments from Mr. Jim Dement, who generally builds on the periphery of the City. I have commitments from Mr. Morris Jaffey. I have commitments from Mr. Leroy Denman's bank. I have commitments, if I may, from the San Antonio Savings represented by Mayor McAllister, the Frost Bank and various other institutions in San Antonio to arrive at this thing in a fashion that I best understand because if I had to make my living hauling around all this material and what not that Bob Honts has been carrying and some of his group I'd rather dig ditches than try to arrive at a profit by going through all this mish mash and

rigmarole and endless faldral that you have to with the government. So, with that preamble, I'm ready now for any substitute motion, vote on it, remarks by Mr. Morton or whatever.

MR. LACY: One thing that always concerned me is, of course, I don't want to start out being a "do nothing Council" but on the other hand we don't want to start out being a Council that does the wrong thing either. We seem to sit here and discuss these people's properties and there's one thing that I'm very vitally concerned about. First of all is property rights and other people's rights. It seems as though we're just trying to by pass those people and tell them what we're going to do regardless of what they want to do. First place, I'm sort of a (inaudible) fellow that I believe in that that governs best governs least. We have too much government these days and everybody, all these agencies are telling everybody what they have to do. And the private property owner, they come along and say your property is blighted and we're going to take it away from you whether you like it or not. At any rate, I believe that after all is said and done and evaluating all those things that there's a little bit of conflict about what Dr. San Martin has here and these other urgencies. I think that we still have time, and for that reason I would be inclined to go along with Mrs. Cockrell's motion.

MAYOR BECKER: Cliff, did you have something to say?

MR. MORTON: Yes, I do. I attended that breakfast that you referred to, Mr. Mayor. That was about 18 months ago. At that time you made an offer of \$25,000 a year, I believe, payable to Frost National Bank. You were really making a plea to the business community to redevelop downtown on a private basis. What kind of a response did you have from the business community on this in terms of dollars that were deposited?

MAYOR BECKER: Mr. frost kept the check for approximately three months and called me one day and said, "What do you want me to do with this check?" I said, well, what are you referring to? He says, There's not been one nickle added to it in all this period of time. Now, I'll grant you that that was the situation then, Cliff. I do sense a different feeling about it today entirely.

MR. MORTON: Well, I'm not trying to pass a compliment on to you when I say this, Charles, I've said it privately. You and your company are probably as community minded as any person, or any company in San Antonio. I know of no company that would compare to you as far as your sense of public responsibility. What I'm saying here is this, if we had 50 companies in this town that had the same attitude that you not only project but you act on then I doubt very seriously if we'd be considering these federal grants at all. I think it could be done the private way. This is the way I would prefer to have it done. I certainly agree with you that there are other areas that, in my personal humble opinion, we might be devoting our time to that are more needed than this particular project. My only concern is this, now I don't consider it a crisis situation, we have taken this plan a long way down the pike. Not we, but let's say the previous Council and certainly we've devoted a lot of time to it. I really see very little down side that we're going to be exposed to. As a matter of fact at this stage of the game, if this Council said, look we're going to buy the plan for New Town in concept, as far as who the sponsor is going to be, whether it is the City, the present group or a non-profit group, as you talked about, I don't think that really we're exposing the City to anything at all as far as down side risks. On the other hand, I think that the possibility of being able to get some very definite benefits are there. This is the way I view this. I don't know whether Al Beckmann's motion we're considering here is broad enough to include in it as the sponsor either the City of San Antonio or the New Town group or a non-profit entity that might be made up of a combination of anyone of the two I referred to previously. I have no hang ups on that. I'm just saying I feel like there is a need here. I don't say that it is the most urgent need, but I would like to explore by supporting, the city supporting, New Town and taking the question of sponsorship out of it. I'd like to search for those benefits that we've had thrown out in front of us but are not guaranteed.

MAYOR BECKER: How do we cure this tax moratorium question?

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REV. BLACK: I would like to respond, though, to what the Mayor said before we get into detail because I think a fundamental issue has been raised here. I think a basic issue to the development and progress of the community. Number one, I don't see these two issues as in conflict with each other. I think there must be a place in the development of a community for the benevolence of men - benevolence of good and capable men. There must be a place in community development for that kind of concern. I would be greatly disturbed if the development of this community rested upon the benevolence of a few men. It seems to me that the development of any community requires more than that. It requires a more basic program and a more basic approach to its development. Now, I think when you begin to develop in the community and you rest the whole development of that community upon the benevolence of a few men you build a relationship in that community that is not healthy, in my opinion. You, in some way, shut out a lot of people. For example, when you begin to use federal dollars, Mr. Mayor, I don't have a lot of dollars to put in as a person, but when you begin to use tax dollars and federal dollars I have a part in the development of this city. And I can speak up like a man. I can respond like a full grown citizen. When the development of a community is simply restricted to that finance and that money that comes out of those men who simply have had distinct advantages in the community then it seems to me to restrict the participation and the sense of responsibility on the part of a large segment of the citizens of the community. For that reason I'm not against a benevolent approach. I'd like to see this non-profit group take those streets that you were talking about in the downtown area and see what they can do with that over against what is being done by this other group in the other area. And we've got something really going for us in this community.

MAYOR BECKER: I appreciate what you say, Reverend, and I'm inclined to agree with you on everything that you say because that's the field that I understand best, the competitive field. And I'll bet the best suit of clothes in town that if you take the private sector and we'll take the other situation and back them clean off the face of this earth. Now, Cliff, I wanted to ask about the tax moratorium. How do we intend to cure that?

MR. MORTON: Well, sir, I think one way that we could consider for curing the tax moratorium would be to tie the period that you would have the in lieu of tax ceiling, which as I understand it is essentially the present tax revenue that is being generated at today's condition. We could tie the moratorium to a limited period of years or we could tie it to a return on invested capital. In other words, when the invested capital, the return on it, started exceeding a certain mutually agreed on percentage then the moratorium would come off of those buildings to take the excess above whatever it is, ten percent or whatever, we take that and put it back on the tax rolls. So return on invested capital, tying that in with the tax moratorium.....

MAYOR BECKER: All right now, how about a tax escalator clause that would, in effect, guarantee the City of San Antonio an incremental increase in tax values over there whether these people did anything or not. Now that might help spur a little bit of interest in getting things accomplished. You know what I'm trying to say. It's an incentive, to say the least, because of the fact that it's penalizing and by nature it is also creative and thereby produces incentives. So how can anybody occupy a building fully leased, fully occupied and then have it stay off the tax rolls? What justification is there for that? You have to ask the same question, I think. Have you ever had these advantages?

MR. MORTON: No, sir, I haven't. But, of course, my activities are not in the area that we're talking about. As I understand this, and I'm new at this whole game of federal grants and SADA and all that, but as I understand it essentially what we have here is we are using this tax moratorium to replace the federal grants that we'd normally get for Urban Renewal. They're not available today. Now this does not mean in the future that they couldn't be available. I've asked myself this question, what would happen in New Town if two years from now the federal government came out with a new program for providing federal grants that would be very similar to what we've had prior to January of this year? What would happen to New Town then? Would they be excluded? I can't answer the questions but I think we know the trend of federal government well enough to know that at some future date they will be back in the grant business.

MAYOR BECKER: All right now.

MR. PADILLA: Mr. Mayor...

MAYOR BECKER: Yes, sir.

MR. PADILLA: I'd like to say a couple of things to some of what you spoke to and the Reverend Black responded. I think you very, very adequately, to say the least, described as a fundamental question. It's the age old question. I don't think there's any doubt but that most of us would prefer to do a project such as this under a private enterprise. However, we get to something that's been tossed around for 30 years. On the one hand many of us frequently indict the Congress and the federal government and we've even gone so far as to say at times that they've confiscated the people's money and they've taken it to Washington, from where they sit in the ivory tower and decree what is best for all. That indictment has been made. The defense of that is that local and state government does not adequately respond to the needs of the communities, therefore, the federal government has taken it upon themselves to do this sort of thing. The states respond again that they can't do anything because all the money is in Washington. So, there it is back and forth. Now, I think when we speak of private investment, it's been my observation that in many cases and if you'll recall when we went to HUD, you were there and I was there and the late Mayor Pro-Tem Garza, Mr. Uptmore and Mr. Morton and there may have been a couple of other people. I think Mr. Troilo was there. He was working at HUD at that time. We went up there with some sort looking for relief in the federal housing standards that would permit private financing so that we could make available to the poor adequate housing, better housing, much better housing than they now have in this community for a lot less than the \$18,000 that it's taking to build a 235 house or something that is eligible for federal participation in the financing. We didn't get anywhere. We didn't get anywhere because of federal regulations and we didn't get anywhere because of, to a large extent, the general attitude of the so called free enterprise system. Now many of us are great free enterprisers and yet when we get right down to the nitty gritty when we're considering an application from someone that's little marginal, we want a federal guarantee. Now, there is a conflict there. You know we're free enterprisers and we want a federal guarantee.

MAYOR BECKER: Now, when you say everybody, please don't include me.

MR. PADILLA: No, I didn't say everybody. I said many of us.

MAYOR BECKER: Oh, All right.

MR. PADILLA: Yes. And many of us do. Sometimes when you're running other professions you run into a basic difference. Many medical people, for instance, are very much against socialized medicine. But they're all for federal funds to help them build a hospital. So, there seems to be conflict there. We could go on and on. There's a long list. And most of us are guilty of it. Most of us are guilty of participating in it to some extent or another. I made these observations because I think we're faced with a way of getting this done, at this time. While I would prefer and cannot basically disagree with anything you said or anything the Reverend Black said I would prefer to do it through private development. But I doubt that it will get off the ground with the kind of project that we're talking about. This is a way and we're using what is commonly referred to as federal funds to leverage a lot of it. The people's funds. The people's money that will be reinjected in the community for something that is desperately needed. As I've said many times before, it will create jobs and so forth. I won't burden any of you with being too repetitious, but I see here basically an opportunity not a crisis but an opportunity. I would like to handle this thing in such a way that we can take advantage of it with the proper assurances that we're not going to do either something that is financially against the public interest or that is against the best interest of what we now call downtown as you described several streets there. Now, I expressed a concern the other day that sufficient safeguards be incorporated into this so that we would not just move downtown vertically or laterally from one location to another.

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I think we, what I want out of this, and what I think the Council wants out of this is something that will compliment what we now have, that will add to it, that will help the core City to develop and that will not replace downtown and that will not kill downtown or the downtown businessman but that will make the whole thing better. With those two safeguards, the financing being in the public interest and the safeguard that we not kill what we now have but rather we add to it. As I indicated before, I have confidence that this Council has charted a course which hopefully other Councils will follow and that is they will diligently monitor those things. And when those things understood or incorporated in, in some way, I think that we have an opportunity and should grasp it.

MR. BECKMANN: Mr. Mayor, first of all I'd like to clarify my position on this. You bring up the fact of independence and private development. I represent a corporation that's been doing business for 122 years. It has managed to survive in a very tough business. And I think there's no one more hard nosed about private enterprise than I and my family. However, I beg to differ with you concerning the downtown area. I maintain that implementation of San Antonio New Town would make your project to develop Houston, Commerce and Martin Streets just that much more viable and feasible. I say that to take a positive step this particular area will respond. A positive step will have been taken and I know the two will work much better together. Your problem would be much easier to get private investment because of San Antonio New Town.

MAYOR BECKER: You really believe it will serve as a catalyst?

MR. BECKMANN: I really believe so, yes sir.

MRS. COCKRELL: Mr. Mayor, I still would like to ask the Councilmen who are favoring the project what they want to do about the two pages that are listed as staff position on San Antonio New Town financial report. I am very concerned about several items on these two pages. After all, this time it leaves things that are unresolved. For example, the 10 year land purchase by SADA. The fact that if you have property in this area it is designated for acquisition you, in effect, are going to be frozen there for up to ten years. You won't know whether you can improve your property, you don't know whether you should repaint it, you don't know whether you should get the roof fixed, because you don't know when the ax is going to fall and your property is going to be taken. Then this business about this 5 year from the purchase date take down of the land again is a very serious problem. I think that there are ten serious problems that are raised in this staff reaction to the financial report and this area is the bulk of my opposition.

MR. PADILLA: Mr. Mayor, I think in response to Mrs. Cockrell, I, too, share those concerns and I describe them generally as a financing plan for this project that is in the best interest of the general public or in the public interest. I think it's been said many times, I believe, by City staff and by the City Attorney and so forth that we are not in any way turning loose of this thing by approving it today. We can and I asked the press to say so the other day and I haven't seen any of them, and forgive me if I'm wrong, but I think it's important for the public to know in the event of positive action, particularly in the matter of positive action, that this City Council and the City agencies still have a grip on this and we can still pass on the contracts that will make this thing that will implement this thing and in answer to Mrs. Cockrell's question, I think that we have demonstrated that we will lead the way and that we will demand of staff the kind of job they should do to insure the public interest both in financing as well as our aspects, taxes, and the so called tax moratorium included. For this reason I think I have developed enough confidence over the last few days in the toughness of the questions that have been directed, the direction has been given to staff. I think that this Council, and hopefully succeeding Councils can continue to give it this kind of direction and can move it the way it ought to go and with those assurances I think this is a good project that we should go along with. We have the serious question raised by the Congressman, among others of a single developer. I think a single developer is something that is being done many, many times the federal government does it many times.

With the proper guarantees, with the proper guidelines, with the proper tools that they have at their disposal to see to it that this single developer while he is not operating on the competitive market in the sense that he's not bidding against other people with a sealed bid or anything else, he is being held within the bonds of certain guidelines in his behavior and his progress and his performance is being constantly monitored and in many cases his margins and so forth are set out contractually. With these safeguards we can, in spite of a single developer, act in the best interest of the public. I think that these things are taken care of and I think that we can continue to lead way and hopefully our Council will in the best interest will be safeguarded and at the same time we will salvage a very good thing for the City.

MAYOR BECKER: May I depart for just one second please from what we said we were not going to do. First, we violate everything we said we were not going to do already. We were going to have a 30 minute hearing and it's been 2 1/2 hours. Now, there are certain people here, six that would like to be heard, five minutes each on this subject. Now, we said we were not going to permit hearings, but I think that in all fairness to the situation we should afford these people each five minutes. Mayor McAllister did you want to make your remarks for five minutes please sir?

MAYOR MALLISTER: Mayor and members of the Council, I have really witnessed a very, very interesting and stimulating Council meeting. I want to commend you and I feel that the welfare of San Antonio is going to be in safe hands if you approach all the problems in the same degree of care that you are meeting this particular decision that has to be made. I frankly have been concerned about this project. I've been concerned for several reasons. In the first place I question whether it will really benefit downtown and I feel that the development of downtown is absolutely essential if we want to preserve the welfare of San Antonio. I have also been very concerned about the question of the tax moratorium. I couldn't see how that could be a proposition that could be passed on from one Council to the next in an indefinite manner as is recited.

Now, the staff has met with the developers and has come up with some statements that were read here that I hadn't been familiar with before. I do want to say that I feel very strongly that the downtown San Antonio should be developed and in connection with that Mr. Becker stated that his company was willing to make a donation or a contribution toward a fund for such a development and study. I want to say that though I have not the full authority of the association I can say to you that without any question the San Antonio Savings Association will be very glad to participate substantially in a program of that kind. Our board authorized an initial \$25,000 contribution toward a program of that kind.

I feel that perhaps the papers have got me a little confused in that they stated that the developers have offered to pass over their interest in the proposition entirely to the City and I don't know such a proposal has been made unless it has been given to you in writing. I don't know about that. I haven't seen it. Well, all right then, why can't the Council take that proposition and go ahead with it and then see whether or not this development is, study it and see whether this is the way you want the development to be. I don't know, like I say, I'm doubtful about what that development will do to the downtown district. I think it will affect it adversely but, if you take it and it's all included, well, then maybe you can take that portion up there on Alamo Plaza and make that the initial activity. If you can do that, why that, of course, would be a wonderful thing. At any rate, I do want to thank you for the very careful attention you have given to this problem.

MAYOR BECKER: Mayor Mac, I want to give you something if I may. One of the items is a check because I wasn't just talking to hear myself talk and the other is this book that I think you'll find very interesting. If I may read the inscription, I think it's certainly apropos to you. "Walter McAllister, Sr., a gentleman who has contributed as much to the world and his fellow man. With kindest regards, as always, Charles Becker." Thank you very much.

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MAYOR MCALLISTER: Thank you.

MAYOR BECKER: Now the next person was Mr. Jose Olivares.

MR. JOSE OLIVARES: Thank you, Mr. Mayor, am I going to get a check?

MAYOR BECKER: I only brought one today, Joe.

MR. OLIVARES: Okay, I'll come back next Thursday. I'm really, I'm with you. It really tears my heart to see these superdogs go over to the public casuela and stop there and see what's there to eat. At the same time I can see and I understand and concur with Reverend Black's posture that these the realities of our day and age. We can't talk about the fruit that may be on the trees five years from today. We are in charge of the land and we have to harvest trees now and we have to do it even though we don't like to pick it, you know, like the guy picks cotton, if he doesn't pick it with a cotton picker, he's got, he's going to have to do the picking himself. I'm very pleased. I want to paraphrase a previous word and say the make-up of this Council is very reassuring. I want to commend one and all, jointly and collectively. I want to point out before you vote that, to my knowledge, I want to address some of the issues that I think are of some concern to you.

To my knowledge I do not know of any subdivision, any development that has occurred in any part of this immediate area of ours or as a matter of fact anywhere in these United States that has been done either by the federal government or by the municipality. Normally, this is done by an individual builder. A subdivision, a situation which is a little akin to what we had today before us but different because here the man is a re-subdivider. He has to do things in the same nature, they're cousins, but they're different, they're not one and the same. The subdivider buys this land; the public hardly knows about it. With his own money he goes out there, he brings his own plans to the Planning Commission to get them approved. He arranges his financing. He doesn't have to contend with politics, with not too much with the Sierra Club, and all these things that they're involved with. Whereas the re-subdivider has to contend with the City Council, the planners, with all these things, the environmentalists and what have you, which is good. I think, consequently, he should be entitled to his substantial profits particularly in the equity money. Now if he makes, you say, look for putting up with all of this rigamarole, you are entitled to double your money. I think in fairness everybody would say yes. We all know that the promoter of a private corporation is entitled to a little bit more than just the average investment. We live in a country that is where it is because there's a balance between the public and the private has been there to see that the profit motive is there to drive, to achieve, to reach a goal. Consequently, I urge you sincerely, I did that Sunday that you do it, that you encourage these people to move, that you set the guidelines, that you do not abandon your governmental functions, that you stick to that and keep them within these strictures, because strictures and restrictures that you set out and that in the long run they will seed and will make it more feasible so that private investors that have been concentrating on other things have neglected and abandoned downtown will see that here is something that will whip their appetite if they just concentrate. Now the question of taxation bothers me like it bothers you. I think it is in your power since the land is going to be in a state of flux for some time not to call it a moratorium because it may open the door to a lot of legal problems. I think you could set a very minimal tax that the developer can contract to pay for the 50 years and then at the same time I would recommend that somebody put an objective deck on the computer and just keep track of the taxes, sales taxes that will come to the benefit of San Antonio due to the activity that this project will generate. I think when you look at it strictly on a financial basis and see the gain through sales tax versus minimal loss on account of ad valorem taxes, you will be convinced that the gain is so tremendous that it really doesn't merit that we even worry about it except for the legality. With that I urge you again to vote on this in the positive and keep on doing a good job. Thank you very much.

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MAYOR BECKER: Next is Mrs. Brian Cartwright. Is Mrs. Cartwright still present? Mr. Milton Brenner?

MRS. COCKRELL: Mr. Mayor, Mr. Brenner has already been heard twice before this hearing.

MAYOR BECKER: Well, he signed up also for today though, Lila. We're deviating from some of the normal prescribed Roberts Rules of Order, I know. But if you'll forgive me. Being an ignorant man I never read the book in the first place. Milton Brenner.

MR. MILTON BRENNER: Mr. Mayor, and members of the City Council if I may, I'd like to point out that the six or seven million dollars that is now going to be given to SANT was voted by the taxpayers about half for an Urban Loop and the other half for flood and drainage. Now, this six or seven million dollars is being actually, you might say, donated to SANT and this is City tax money that was voted for purposes. Now, the SANT folks, the way they outlined their program, are actually putting up only about ten percent margin. Suppose, I'm not making any implications but as a businessman you always need to ask these questions, suppose these people go broke. Who's going to pick up the bag for the City? Now, maybe they should be required to file personal guarantees for their corporation or whatever form they're going to use to develop SANT. Furthermore, they should also file performance and payment bonds because otherwise the City could wind up some morning with a hell of a big liability and nobody to pay it.

Now, as far as this tax moratorium I agree thoroughly with the Mayor. Nobody's ever offered that to us either and we pay a lot of taxes just like anybody else. Why, if you're going to be this generous on tax moratorium, not offer that to anybody who will build downtown in the next five years. Give them a five year moratorium, not 50 years. But offer it to anybody and see what a good boom you might get. Now, as to these sales taxes that Mr. Olivares mentioned, it would just be transferring from one place to another. This SANT thing really encompasses setting up a big mall that would be more or less keyed by Sears at one end and more or less running around the Ursuline Academy. I looked at the map in the City Engineer's Office and it would close a lot of streets and set up this huge area to develop into a mall. I don't know where you're going to get all the customers for the mall and I'm not concerned about that. Our store is not in this area. The street where we are is not closed. I don't own any property downtown. Our company doesn't own any property downtown. So, I certainly have no ulterior motive in appearing today or in the past.

I finally would strongly recommend that since somewhere, somehow we are going to need Henry B. Gonzales' help and he's been a great public servant for many years, that we do follow his revitalization plan and approach this thing in a judicial manner not in a crisis period like we're trying to do today. We're going to rush into this program on thinking we're getting something for nothing and we're going to wind up holding a great big bag. Thank you.

MAYOR BECKER: Thank you, Milton. We have Mr. Manion and then Mrs. Dutmer.

MR. JOE RAINEY MANION: I was certainly glad to hear Mayor McAllister's comments and I want to say that I agree one hundred percent wholeheartedly. I also was a downtown property owner and mortgagor and everything he said is correct.

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I believe this is the consensus of the opinion of most of the downtown property owners and business owners. This is just one of the points.

In all the discussion I heard the other day that they were offering for the City to take this over, the television stations asked me for a reaction and the reaction I gave, you may have seen, was this appears to me to be a subterfuge to simply try to reverse the vote into a 5 to 4 against to a 5 to 4 in favor. I hope that hasn't happened, but it apparently has. So, I again want to point out the aspects of this that the public has been calling me in greater numbers than you can imagine. The public is violently against the proposition of this private entity being able to condemn property and take it away without really due process or recourse. A considerable number think it's illegal. Though this would not be the case if the City were doing the development. Here we would have a public entity that's answerable every two years. That makes a lot of difference. I would support that. The people that I now represent, which has grown to about 60 from the original eight, think that this is a fine thing. They're mainly also concerned that this offer was just another ploy and they didn't really mean to turn it over to the City.

If it turns out that that's exactly what it is that nothing is changed except there is a 5 to 4 vote then there will be legal complications. There will be an immediate attempt to either secure a mandamus or an injunction whichever is proper, perhaps someone can tell us, to negate the vote on the grounds that it is at this point illegal. This, we hope, is not the way to do it. Couldn't, just as a simple suggestion, and I've listened to everything Mayor Becker has said and also agree with this a hundred percent. But we could ask for perhaps one more possible solution. Solution being now that we have both sides either give it to them or deny it. How about offering for a vote the possibility of us turning it over to the City. To explore, actually having the City take it over. Then, you'll have the support of a very adamant group against it at this point. We will trust the Council. We trust them anyway. But we trust the Council to solve these problems within the framework of the City knowing that you'll face the public again in two years. These people won't face them at all. Once a few million dollars has been handed down and once these loans are locked in place you'll never be able to change them. I know Mayor McAllister and Mayor Becker agree that no matter how you're going to monitor this thing down the line you will not be able to. Once the precept is locked in and the people have the money and it's on a loan basis, they'll tell you what they can and what they can't do and they'll find ways to make it go their way. You'll be able to do nothing except follow it because you can't stop it after you've started it. You're on the brink at this point of making a decision not only for San Antonio but I hope you're aware that you're making a decision that will affect these whole United States. This precept has never been done to the extent you're doing it any place else in the United States.

I had about 14 long distance calls, not very long, from Houston and Dallas because of the comments in the papers and so forth asking just what exactly this was. When I explained it to these large property owners, some of them know the Mayor quite well, they were appalled and would not believe me at first when I told them extent that this would destroy private ownership. So, I urge you to consider one other laternative and have the City behind you and that is for the City, the Urban Renewal Agency, which has been for many years without any taint of scandal and will continue that way explore the possibility of their taking it over and leave the question open. You will also, I believe at that point, I can't speak for Congressman Gonzales, but others can contact him, I believe that you will have his support which you do need.

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If you do it the other way, I feel quite positive you will not have it. So let me plead with you to, if they are serious in giving this project to the City, then take it and proceed from that. Thank you very much.

MAYOR BECKER: Mrs. Dutmer, 739 McKinley Avenue.

MRS. HELEN DUTMER: Thank you and I don't have to put it in the record. I heard from many, many financial wizards here this morning, businessmen, I thought perhaps you might like to hear from grass roots. I also do not own property within the City. Since one of our concerns here is tax moratorium, let me again point out your cause and effect. Most of the cause is of downtown deterioration has come from a very poor tax structure. Since part of your concerns are also the financial gains of the private sector of this development, now, I'm not saying as to whether you should vote for or against In Town. This will have to be your own conviction and your own conscience vote. However, I would like to know for both myself and 800,000 other grass roots level citizens in this City if we're expected to believe that if we do turn this over to your private developers, those gentlemen whom Mayor Becker announced their names previously, are we expected to believe that these people will put this money into this type of investment without a financial gain on their own part?

MAYOR BECKER: I wish you would clarify that if you will Helen, I didn't quite understand what you said.

MRS. DUTMER: What I want to know is are we expected to believe that you and these other gentlemen will put this vast sum of money into a downtown improvement without an expected return on your investment?

MAYOR BECKER: I said non-profit and that's exactly what it means when I say non-profit.

MRS. DUTMER: Fine, that's what I asked. Then I can conceive of private owners of properties within the City allowing private, certain other private people coming in and improving their property and having their taxes raised thereon. This is one of the greatest reasons for our downtown deterioration. People don't want to fix their buildings up because immediately their taxes go up. Now, I think we ought to start looking into your tax rates. If they don't do this then, in effect, this is just another tax moratorium type of situation. If you can fix up your property without your taxes going up then, here again, you have another problem.

I also ask this question since I, too, am a person of more of a conservative nature and cannot see everybody running to the trough as you call it to see who can be head hog at the trough for federal financing. I would ask you then, what will the federal government do with this money if San Antonio were to go off on a limb and say we're going to do it by ourselves? Would I, as a citizen, be able to expect that my taxes would be reduced for the benefit of perhaps someone in Dallas, who don't mind being the head hog at the trough. I'd like to have it, too.

Thirdly, I do know the need, the desperate need for some sort of revitalization of the downtown area in view of the recent action that looks like the tremendous growth to the northwest is going to have to come to a screeching halt one way or the other and people are going to have to necessarily look back to the City of San Antonio, the heart of the City of San Antonio for their City. And I would urge that some sort of action be taken, particularly around our very cherished Alamo. Thank you.

MAYOR BECKER: Now, I'm going to ask once again of the Council what are we going to, how are we going to cure this tax moratorium situation? Alfred?

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MR. BECKMANN: Mayor Becker, yes I feel this way and I think it's pretty obvious. Over the last 15 or 20 years this particular area about which we are talking, San Antonio New Town area, has been going on a collision course of less and less taxable income available to the City of San Antonio. Now by the implementation of San Antonio New Town you move a calculated risk into a guaranteed fact. The calculated risk being that this area will develop, it will progress. Capital improvements will increase the tax base. Taxes will be available and eventually it's projected some ten million dollars (\$10,000,000) in additional taxes will accrue to the benefit of the City of San Antonio. On the other hand, if we leave it like it is following the record that has gone on in the past I think is perfectly obvious that instead of \$300,000 a year in taxes we would only be getting less and less. As far as this moratorium is concerned, all this does is not let the tax base get under \$300,000. It will return to the City at least \$300,000; it's getting now with the obvious chance that it will be improved to \$10 million in 50 years. I think that's a worthwhile risk.

MR. MENDOZA: Mr. Mayor?

MAYOR BECKER: May I go around the table please, Leo. Cliff?

MR. MORTON: Well, again if we are concerned about the time frame of the in lieu of the tax issue, I would go back again to our having agreement with the developer regardless of if it is a private developer in which a pre-agreed rate of return on the original invested capital would be considered in lieu of taxes or upon the passing of 25 years from the time the specific project is completed whichever occurs first. Any time you have an excess over that pre-agreed rate of return then the excess above the pre-agreed rate of return would go to the City for taxes or all taxing agencies. It's not just the City; we're talking about all of them. Or the passage of 25 years, whichever occurs first. I would like to say this. I'm not really hooked up on 25 years because I'm not looking at projections that closely. It possibly, it would have such damaging effect that... (INAUDIBLE)... But really I'm talking about a specific number of years. I think, as I read Mrs. Cockrell, when we start talking about 50 years that's just a little bit beyond all of us. We're very optimistic but I don't think too many of us will be around 50 years from now. So, this is something I think instinctively I'd like to see this raised if I lived to a ripe old age.

MAYOR BECKER: Mr. Lacy?

MR. LACY: It sounds very feasible and we can spell it out but we're going to have to, right now we're still talking very nebulously, about how we're going to do it. I don't think that the----- (unable to hear).

MAYOR BECKER: Reverend Black?

REV. BLACK: May I first begin by saying I do not think it's unusual for a City to give certain tax consideration in the interest of the economic development and dynamics of that City. This is not a practice that is unusual. This is practiced in many places because when you begin to think about the human values that arrive out of this kind of impetus, this kind of encouragement it far outweighs the kinds of concessions that you're making. But now let's look at this specific situation. We're asking the developers to commit to a set in lieu of taxes level. We are saying \$300,000. We are measuring that by what is already the revenue of this City from that area. Now, certainly I would agree and I would accept the amendment that Mr. Morton has put on this that then you begin to look at it in terms of that which is in excess of the pre-arranged commitment of the investors and in this way you have protected

the interest of the City because if you're option is to leave it like it is and to do the development in a partial and limited way you're going to have reduced taxes in the area. So your option is not simply whether or not they are not going to raise the \$300,000 but really the option is how can you get the best kind of tax returns while redeveloping the area, improving the economic dynamics of the community. So, there are many related. So I would simply accept what has been suggested here in terms of excess of that which is above that they will be responsible for that which is above the pre-arranged in lieu of taxes commitment.

MAYOR BECKER: Dr. San Martin?

DR. SAN MARTIN: I've already raised my objections. I have several reservations at the developers would commit themselves to the type of return over and above a certain percentage. If it's written into it, I might consider it, but I feel that somewhere down the line it might come back to this Council, and as for relieve, I'm ready for the vote, Mr. Mayor.

MAYOR BECKER: Mrs. Cockrell?

MRS. COCKRELL: Well, I would say that, of course, any proposal like this is based on a lot of factors. For example, how do you determine a profit of figure. You have to determine cost and acceptable figures and there are a lot of variables in cost in which you include in salaries, developmental costs, and many other factors, so I think it's quite a nebulous formula to have your taxes depend upon it.

MR. MORTON: No, Mrs. Cockrell, if I may respond to that. This type of thing is not unusual for other purposes other than trying to solve the tax question, but there are formulas, for instance, on what our excess costs as far as administration is concerned that you can get from the Department of Housing and Urban Development, their use, how much you can have for accounting fees, legal fees, all of the administrative costs that you have. I think this kind of thing could be worked out to where you could say you've got X percentage that you can spend for overhead, if we want to call it that, and return on invested capital and again we get back to a figure that is a fairly well known figure, the 7.7. This is what we're really talking about. I don't know whether they would buy this or not but...

MAYOR BECKER: It is an indices base sort of thing.

MR. MORTON: Yes sir.

MAYOR BECKER: You have any further questions?

MRS. COCKRELL: Well, not on that point because I'm not sure I thoroughly understand the proposal as you have mentioned it. Basically, though, I still get back to the problem that after all of these days we have all these documents and I still just am in a position I cannot buy the financial plans. So, at this point I'm going to have to vote against a single redeveloper. Now, I would like to later ask clarification of the City Attorney. I would like to keep the option open for the City to consider assuming the role of the developer should the provisions for our doing so be something that we could take on. I do want to keep that option open.

MAYOR BECKER: Leo?

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MR. MENDOZA: Mayor, at this time I'd like to offer an amendment to Councilman Beckmann's motion that the City retain the option to designate the sponsorship of the project either to the New Town Ltd, the City of San Antonio or the non-profit entity to be created in the future. If Reverend Black and Councilman Beckmann will accept that.

REV. BLACK: I'll accept that amendment. Is that all right with you?

MR. MORTON: I'd like to amend the amendment if I may. That would be to add to the motion, as amended, that we continue to pursue the enabling legislation which would be necessary for this project to become a reality if the City found at a future date that they did want to designate a private developer instead of the City.

MR. MENDOZA: If you second my amendment, I'll second yours.

MAYOR BECKER: All right. Al Padilla on the tax moratorium situation, we're still involved in that if we may.

MR. PADILLA: I'd like to point out simply what has been said before and make a couple of other additional comments on it. I speak of this being a device--a way of doing something--which I think we need desperately in the community. I'm thinking primarily of the involvement, although it's in an indirect way, of the many people that work for a living in this town--carpenters, brickmasons, plumbers, electricians, etc. We obviously need some major emphasis in the direction of development so that the labor market can develop along with it and with it the community. Many things have been pointed out, asked, examined and so forth in the last few days. If you'll recall, I was the one that brought up the business about profit limiting. The staff called it defining profit. I called it limit. I like the word limit because this implies that the City has participation in arriving at what is finally defined as profit. I think it's important that we remember that we must define investment before we can limit profit. Now, I described this plan as at best and dealing with the tax moratorium, Mayor, it may seem that I'm not but I am. I recognize that it's just simply a device to get something done. This so called tax moratorium is financial leverage to get the job done. Because it is we have at best here a situation here which I call modified free enterprise. You have public participation in private investment. Because of this, I think you have to define investment. We have heard many times that the developers are going to put up \$7,000,000 worth of front money. But, normally, when I go to the bank, in my case it's not seven million it's more like \$50.00. But if you go to the bank with several thousand dollars and you borrow another twenty or fifty or what have you, you answer for it. You guarantee it personally. Your product will retire the obligation. You are talking about free enterprise. Therefore, all of us recognize that if I invest twenty thousand and borrow an additional fifty I have actually invested seventy. So I'm entitled a return on seventy. But in this case you have a situation where the public, in effect, or at least to some extent, is guaranteeing the obligations. You have a situation where leverage generated through what we loosely describe as a tax moratorium is really public money that is generating the funds necessary to retire this debt. So you have in effect the public participating in both those situations. That's why I call it, at best, a modified form of free enterprise. So we have to define here, if we're talking about \$7,000,000 from the investors and some \$47,000,000 generated through loans and so forth. I don't think we can, across the board, say that well the investors have put up 54,000,000 because you have public participation. So I think we have to define first of all what is the investment. To what extent has the private sector made an investment? Then once you define that you define a proper margin. I think that while the concern is very proper, and I shared it and still do to the extent that if this thing passes I intend to follow up constantly on this, and I hope the succeeding Councils do too. Bob knows that this is true because I started asking this question long before anybody else did on the previous City Council. The business of a set of books, the business of the investment, the business of return and this type of thing. I think that we have demonstrated in the last few days that we are concerned about these areas and we intend to follow up on them. I would suggest this, relative to the tax moratorium, Mr. Mayor, the point has been made by several people that once you involve institutions that lend money, financial institutions, that then you're locked in. I think we've seen this demonstrated many times both in the private sector and even with our utilities. Sometimes when we ask the utilities to do something they tell us that they can't because their bonded indebtedness does not permit it. So, we have had demonstrated to us that there is such a thing as certain provisions that are incorporated into financing agreements. I would suggest that before these loans are made that the City pass on this type of situation. Not that we pass on

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it after all this is made but that we have continuing input into it so that we can monitor what is going on. If we see a situation that because of restrictions will in effect preempt the City or the public interest that we not go along with it. In that case we would be saying no this loan cannot be made. We will not participate under these provisions because this ties our hands unduly and we cannot safeguard the public interest if this sort of thing is done. So, I would think that we can get around the business of losing the initiative to the investors that make the loans by keeping it, in a sense, that we would not participate and not permit the investors to participate in financing arrangements that would tie the City's hands. I think that this adequately, if it were done this way, would answer some of the objections that have been raised. I still think we ought to do what we can to try to save New Town, again, with the provisions that we see to it that we are not moving downtown north six or eight blocks, but that we do something complimentary. Some activity there that would compliment it and encourage it and help it to revitalize as well.

MAYOR BECKER: Now, Mr. Honts, where are you in the audience? There you are. You've heard all these Councilmen including myself express this concern about tax moratorium. You've heard several of the Councilmen express a valid concern about the amount of actual invested capital limiting of profits. The City participating as it were in the venture from the standpoint of realizing something on this situation besides just the fact that one part of the City does not deteriorate beyond what it has already deteriorated. Now, what are you willing to represent to this Council at this moment as to your recommendations with respect to your group, your investors? What are they willing to represent to this Council now with regard, one, to the tax moratorium? Some type of a compromise situation whereby the City can realize something without having to wait forever and so forth. You've been listening to all this. What kind of a statement are you willing to make now? May I ask for that?

MR. HONTS: Mayor Becker, if I'm not mistaken the agreements we've already made encompass both of these. Let me reemphasize those and I'll speak beyond them if you like. The group has already agreed with the City staff in a signed document under Item 4 to commit itself with the City to a profit determining and limiting of excessive profit. You have to put two memorandums together to understand the last agreement, but that's how it stands. Which, as I would understand that, would meet Councilman Padilla's objective with respect to it being understood that some type of limitation and definition, obviously, first would have to be prescribed on that basis. That, in turn, leads you into the second objective which Councilman Morton had suggested, and you'll notice that the developer and the City staff have agreed to study the matter to insure

MAYOR BECKER: Where does it say that?

MR. HONTS: This is under Item 5 under the Amendments

MAYOR BECKER: Okay.

MR. HONTS: Will study the matter to insure that the property is back on the tax rolls as soon as security debt servicing and acceptable profits standards will permit. Such study and agreement to be completed before any commitments to this matter are requested of the City Council or developer. Again, I believe while it's stated a little differently that, in effect, says that you define what the appropriate return is and

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then as soon as that's reached and you meet your appropriate debt servicing requirements then everything else goes back on the tax rolls.

MAYOR BECKER: Alright now, Bob, may I interrupt you for just a second please. I wish you all would buy some quiet cameras while you're about your investments. What about loading the project with excessive maintenance costs, excessive gardeners' fees, excessive sidewalk repairs, excessive roof repairs and all this sort of thing that's always possible in any type of a project in order to keep the return on invested capital down? What safeguard do we have against that sort of thing? I'm just looking at it as if I was dealing with myself, you or anybody else.

MR. HONTS: Yes, sir. I understand the question. Once again as I would have understood what we agreed to, the agreement to commit ourselves to profit determining. Profit determining means definition of that which would be profit and by definition that which would not be profit in terms of cost, in terms of what would be appropriate costs and the right to come in and audit at any time with respect to any abuses thereto. And I might add, the developer would require the same assurance to see that it wasn't abused the other way.

MAYOR BECKER: You're willing to submit to this indices basis sort of thing that Mr. Morton described as a means as arriving at appropriate cost figures and that sort of thing?

MR. HONTS: Yes, sir. I think we already have.

MAYOR BECKER: Alright.

MR. PADILLA: Bob, I'd like to make this one comment that we're constantly catching ourselves trying to redefine things. I don't mean to limit excessive profits, I mean to prevent them.

MR. HONTS: Councilman Padilla, I started to add a word earlier about my absolute faith in your tenacity and I might add in Mayor Becker's tenacity also. I have every reason to believe that you will not only limit but prevent it.

MRS. COCKRELL: Mr. Mayor, I wanted to point out that when Mr. Honts read from the statement, he left out the first sentence which is the one of most concern to me. "Based on the existing projections the redeveloped properties are available to come back on the tax rolls on an incremental basis per year between the year 25 and the year 50 with all properties back on the tax roll by the year 50". Now, that was the first sentence and immediately preceded the portion which you elected to read.

MR. HONTS: Yes, Mame. I really didn't neglect to because we have stated all along that was how the projections currently stand. There are a number of factors that can improve those or worsen them, obviously, with respect to, for example, the possibility of undertaking Alamo Plaza in addition. That might affect the length of time. The concessions we made in some other areas will affect the length of time that certain property remain off the tax rolls.

MAYOR BECKER: Alright. Who would like to state the motion because we have so darn many.....

MR. McCOMBS: Could I possibly say something.

MAYOR BECKER: Red, I don't see why not.

MR. McCOMBS: Everyone else has.

MR. PADILLA: Did you sign in?

MR. McCOMBS: I can appreciate, and I do appreciate, some of the positive concerns about this project but I would make this observation. Our alternative that we offered yesterday, insofar as investors are concerned, was a sincere alternative. Now, we have questions on this project from people that I respect greatly. The questions are still coming back to the same thing. How much are you guys going to make? Where are the controls going to be? We still, I think, have not addressed ourselves to the most important thing of all and that is to get the project accomplished, number one; number two, we've not even addressed ourselves as some of you here on this Council would know as to if everything happened positively on this project, if this Council never even had a question and if HUD had no question and enabling legislation had no question, we're going to have a product that is marketable. We've got to have dog food that the dogs will eat. Now, it's no simple task to move 20,000 people back downtown and to build 7,000 dwelling units. I call your attention to a committee that was formed by this last Council which asked the strongest builders and developers in this town to come up with a single project to put a 160 units in the near downtown area of dwelling, create some housing downtown, and on a non-profit basis with all the effort they put forth they could not come up with the project that was viable or could be financed. Is that right Mr. Morton?

MR. MORTON: Right.

MR. McCOMBS: Now our alternative yesterday was a sincere one. We asked that you consider in your motion the very, I don't like all of these situations about taking advantage of people and being the predator, I've been quite well identified with City ventures in this town myself, so we ask that with all the questions that seem to be coming from the Council that, first, you approve the project because that's good for San Antonio and, secondly, that you use every alternative to see if you can't come up with the development plan other than us as a sponsor. Now, we've spent over \$500,000 (five-hundred thousand dollars) being asked to along the way. With sixteen virtually unanimous resolutions from various agencies saying continue, continue, continue. I think that we know about the project and how to make it work than anybody else or any other group. We'll stand aside. You see if you can come up with the staff people or anyone else that can do it. We'll gladly give you what we've got in it. We'd like first to see that the project is carried forward. Secondly, leave the alternative open as to development. If you can come up with people that can face all of what we've been through the past fifteen months, then, we'll salute it and go right straight ahead.

MAYOR BECKER: Alright. Now, we have in order of sequence here, first a motion by Mrs. Cockrell, then we had a second by Dr. San Martin. Then we had a substitute motion by Al Beckman. Then we had an amendment to that motion by Cliff Morton. Now, who is in a position to state the motion fully?

MR. BECKMANN: You want me. I'll go through the whole thing. I think I can do it.

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Mr. Beckmann's motion as amended is as follows:

"I do hereby move that this Council adopt the ordinance approving San Antonio New Town In Town Urban Renewal Project, with the City retaining the option to designate sponsorship of the project either to New Town Ltd., the City of San Antonio, or a Non-Profit Entity to be created in the future with all the proper check points and other protective measures to be used to assure maximum benefit to the citizens of San Antonio, and that we continue to pursue the enabling legislation which would be necessary for this project to become a reality if the City found at a future date that they did want to designate a private developer instead of the City.

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MAYOR BECKER: Okay.

MR. BECKMANN: In light of the fact that this Council has methodically, tediously and extensively investigated San Antonio New Town and that this Council, in its desire to start the wheels in motion for the revitalization of our City's downtown area, and that San Antonio New Town offers the best opportunity available for positive action in this effort to bring back residents to the downtown area, create better jobs for its citizens, and to improve the environment and ecology for the City and all this available in an exciting and challenging manner, I do hereby move that this Council adopt San Antonio New Town with the City retaining the option to designate sponsorship of the project either to New Town, LTD., the City of San Antonio or a non-profit entity to be created in the future.

REV. BLACK: I second that motion and

MR. BECKMANN: Just one moment. Is that right

MR. MENDOZA: Yes, that was the

MR. MORTON: If we could tag on the amendment to the amendment which would be that we urge the legislature to pursue the enabling legislation that would be necessary in case the City at a future date selected a private group to sponsor this project.

MR. PADILLA: Point of clarification, Mr. Mayor. Is it parliamentary proper to tag an amendment on an amendment? I have no quarrel with your second amendment

MR. MORTON: You can have an amendment to the amendment to the amendment. You vote on the amendment to the amendment to the amendment first and start backwards. To keep it simple, why don't we tag this on there as a substitute motion and go.

MR. PADILLA: I just want to see that what we're doing is proper.

MR. BECKMANN: Alright, let's say that a non-profit entity to be created in the future with all the proper checkpoints and other protective measures to be used to assure maximum benefit to the citizens of San Antonio. Now, you want to put yours or do you want to

MR. MORTON: I've said it.

MAYOR BECKER: Put it in if you will. Alright, now that has to do with the tax moratorium and all the limiting of the profit and all these things we've been discussing, is that correct?

MR. BECKMANN: That's right.

MR. PADILLA: Plus it incorporates Mr. Morton's amendment to Mr. Mendoza's amendment or so to the motion, that we further go on record as passing on, so to speak, directing the legislative delegation from Bexar County that we are for the pending legislation in Austin.

MR. MORTON: That's correct.

REV. BLACK: I second the original motion and the amendment that goes with it.

MAYOR BECKER: Question. We're not going to be accused of being slipshod. I can guarantee you that. We might be a lot of other things but we're not going to be slipshod. Question.

DR. SAN MARTIN: No.

MAYOR BECKER: Aye.

REV. BLACK: Aye.

MR. LACY: Aye.

MR. MORTON: Aye.

MR. BECKMANN: Aye.

MR. PADILLA: Yes.

MR. MENDOZA: Aye.

MRS. COCKRELL: No.

MAYOR BECKER: Alright now, I'm praying above all that this thing proves to be the catalyst that we're hoping it will be

MRS. COCKRELL: Mr. Mayor, I would like to say something

MAYOR BECKER: And if it isn't I'm going get a double barrel shot gun

REV. BLACK: You're not going to shoot me, though.

MRS. COCKRELL: Mr. Mayor, I would like to have the qualification put on my vote that I would have voted in favor of an option for the City only. But I could not vote for the motion which was encompassing all the alternatives listed.

MAYOR BECKER: Alright now, may we recess for five minutes please.

DR. SAN MARTIN: Let's recess for lunch.

MAYOR BECKER: Alright, lunch then. Let's recess for thirty minutes.

The meeting recessed for lunch at 12:45 P. M. and was reconvened at 1:50 P. M.

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73-26 Mayor Becker adjourned the reconvened meeting of May 14, 1973. He then called to order the Regular Meeting of the City Council scheduled for May 17, 1973.

73-26 The minutes of the meeting of May 1 and May 10, 1973 were approved.

73-26 Mayor Becker announced that zoning cases would be heard before regular business items in order to accomodate persons who had been waiting all day.

73-26 ZONING HEARINGS

B. CASE 4943 - to rezone lots 5, 6, 7 and 8, block 4, NCB 7238, 1300 Block of Basse Road, from "B" Two Family Residential District to "B-3" Business District; located on the south side of Basse Road, being 100' east of the intersection of Basse Road and Aganier Avenue, having 200' on Basse Road and a depth of 130'.

Mr. Gene Camargo, Planning Administrator, said that the Planning Commission had recommended denial of the requested "B-3" zoning and in lieu of "B-3" had recommended "B-1" Business District. The applicant is appealing the Commission's recommendation to the City Council.

Mr. Herbert Schenker, representing the applicant, spoke in favor of the requested "B-3" zoning. He pointed out the various existing businesses on Basse Road between Blanco Road and San Pedro Avenue. He stated that "B-1" zoning as recommended by the PC would not permit commercial uses which the applicant proposes which would be some type of retail use. He said that if necessary, he would accept "B-2" Business District zoning.

Speaking in opposition to the proposed rezoning were:

Mr. Wesley Roberson, 439 La Manda.

Mrs. Bohnstedt, 431 La Manda.

Mr. Alfred Schmitz, 402 La Manda.

The opponents to the application stated that they would not be opposed to "B-1" zoning but would be opposed to any other business zoning. They urged the Council to accept the PC recommendation.

In rebuttal, Mr. Schenker asked the Council for "B-2" zoning as this would not permit auto sales which was one point of opposition.

After consideration, Mr. Morton moved that the recommendation of the Planning Commission be overruled and that "B-2" Business District be granted. The motion was seconded by Dr. San Martin. On roll call, the motion, which required (7) affirmative votes to carry, failed, and the rezoning was denied, by the following vote: AYES: San Martin, Lacy, Morton, Beckmann, Padilla; NAYS: Cockrell, Becker, Black, Mendoza; ABSENT: None.

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Mrs. Cockrell made a motion that the recommendation of the Planning Commission be accepted and the property rezoned "B-1" Business District provided that proper replatting is accomplished and that a six foot solid screen fence is erected on the South property line. The motion was seconded by Mr. Mendoza. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton, Beckmann, Padilla, Mendoza; NAYS: None; ABSENT: None.

AN ORDINANCE 42,213

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS LOTS 5, 6, 7 AND 8, BLOCK 4, NCB 7238, 1300 BLOCK OF BASSE ROAD, FROM "B" TWO FAMILY RESIDENCE DISTRICT TO "B-1" BUSINESS DISTRICT, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED AND THAT A SIX FOOT SOLID SCREEN FENCE IS ERECTED ON THE SOUTH PROPERTY LINE.

* * * *

A. CASE 4916 - to rezone lots 41 and 42, NCB 12889, 4800 Block of Rigsby Avenue, from "A" Single Family Residential District to "B-2" Business District; located southwest of the intersection of Rigsby Avenue and Spokane Road, having 170' on Rigsby Avenue and 204.65' on Spokane Road.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council. Mr. Camargo advised the Council that a protest petition has been filed in this case necessitating 7 affirmative votes for rezoning.

Mr. William H. Ferguson, representing Mr. Dee E. Burkholder, spoke in favor of the application. He reviewed the existing business uses on Rigsby Avenue and said that his client wished to have a neighborhood family restaurant on the property. He asked for the Council's favorable consideration.

Mr. S. P. Miscrot representing the builder of an apartment complex in the area also spoke in favor.

Mr. Stanley Rosenberg, an attorney representing the residents in the neighborhood, spoke against the rezoning. He urged that the property remain residential to avoid changing the character of the neighborhood.

After consideration, Mr. Beckmann moved that the recommendation of the Planning Commission be approved and the property be rezoned "B-2" Business District. The motion was seconded by Mr. Padilla. On roll call, the motion, which required seven (7) affirmative votes to carry, failed, and the rezoning was denied by the following vote: AYES: Becker, Lacy, Beckmann, Padilla; NAYS: Cockrell, San Martin, Black, Morton, Mendoza; ABSENT: None.

C. CASE 4830 - to rezone Lot 31, Block 6, NCB 11716, save and except the southwest 160' of the southeast 300', 431 Isom Road, from "R-2" Two Family Residential to "B-3" Business District; located on the northwest side of Isom Road, 338.1' southwest of East Ramsey Drive, having 200' on Isom Road and a maximum depth of 665.9'.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Dr. San Martin made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished. Mrs. Cockrell seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Becker, Morton, Beckmann; NAYS: None; ABSENT: Black, Lacy, Padilla, Mendoza.

AN ORDINANCE 42,214

AMENDING CHAPTER 42 OF THE CITY CODE
THAT CONSTITUTES THE COMPREHENSIVE
ZONING ORDINANCE OF THE CITY OF SAN
ANTONIO BY CHANGING THE CLASSIFICATION
AND REZONING OF CERTAIN PROPERTY
DESCRIBED HEREIN AS LOT 31, BLOCK 6,
NCB 11716, SAVE AND EXCEPT THE SOUTHWEST
160' OF THE SOUTHEAST 300', 431 ISOM
ROAD, FROM "R-2" TWO FAMILY RESIDENTIAL
DISTRICT TO "B-3" BUSINESS DISTRICT,
PROVIDED THAT PROPER REPLATTING IS
ACCOMPLISHED.

* * * *

D. CASE 4980 - to rezone a 0.730 acre tract of land out of NCB 15350 and a 4.331 acre tract of land out of NCB 15335, being further described by field notes filed in the office of the City Clerk, from Temporary "R-1" Single Family Residential District to "B-3" Business District; a 0.843 acre tract of land out of NCB 15350, being further described by field notes filed in the office of the City Clerk, from Temporary "R-1" Single Family Residential District to "O-1" Office District; a 15.192 acre tract of land out of NCB 15335, being further described by field notes filed in the office of the City Clerk, from Temporary "R-1" Single Family Residential District to "R-3" Multiple Family Residential District.

The 0.730 acre tract of land is located southeast of the intersection of Loop 410 and Timbercreek Drive, having a frontage of 150' on Timbercreek Drive and 211.02' on Loop 410.

The 4.331 acre tract of land is located northeast of the intersection of Loop 410 and Timbercreek Drive, having a frontage of 300' on Timbercreek Drive and 600' on Loop 410.

The 0.843 acre tract of land is located on the southside of Timbercreek Drive, having a frontage of 246.73' on Timbercreek Drive and a depth of approximately 168.74'.

The 15.192 acre tract of land is located 300' east and 600' north of the intersection of Loop 410 and Timbercreek Drive, having 240.05' on the north R.O.W. line of Timbercreek Drive and 850.81' on Loop 410.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Mr. Beckmann made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished and that a six foot solid screen fence be erected adjacent to all of the single family residences to the east and south; that the 19 acre tract have a 50 foot building setback line imposed on the east property line and that the "B-3" property at the corner of Timbercreek and Loop 410 have a 50 foot building setback line imposed on the south property line. The motion was seconded by Mr. Morton. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Becker, Morton, Beckmann; NAYS: None; ABSENT: Black, Lacy, Padilla, Mendoza.

AN ORDINANCE 42,215

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS A 0.730 ACRE TRACT OF LAND OUT OF NCB 15350 AND A 4.331 ACRE TRACT OF LAND OUT OF NCB 15335, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-3" BUSINESS DISTRICT; A 0.843 ACRE TRACT OF LAND OUT OF NCB 15350, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "O-1" OFFICE DISTRICT; AND A 15.192 ACRE TRACT OF LAND OUT OF NCB 15335, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, FROM TEMPORARY "R-1" FAMILY RESIDENTIAL DISTRICT TO "R-3" MULTIPLE FAMILY RESIDENTIAL DISTRICT, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED AND THAT A SIX FOOT SOLID SCREEN FENCE BE ERECTED ADJACENT TO ALL OF THE SINGLE FAMILY RESIDENCES TO THE EAST AND SOUTH, THAT THE 19 ACRE TRACT HAVE A 50 FOOT BUILDING SETBACK LINE IMPOSED ON THE EAST PROPERTY LINE AND THAT THE "B-3" PROPERTY AT THE CORNER OF TIMBERCREEK AND LOOP 410 HAVE A 50 FOOT BUILDING SETBACK LINE IMPOSED ON THE SOUTH PROPERTY LINE.

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E. CASE 4981 - to rezone a 25.206 acre tract of land out of NCB 15370, being further described by field notes filed in the office of the City Clerk, from Temporary "R-1" Single Family Residential District to "R-6" Townhouse District; and the west 822.65' of P-22B, NCB 15343, (3.636 acres), from Temporary "R-1" Single Family Residential District to "R-2" Two Family Residential District.

The "R-6" zoning located on the south side of Timbercreek Drive, being bounded by Starhaven Drive, Hickory Grove Drive, and Canyon Ridge Drive, having 1053.96' on Starhaven Drive, 639.53' on Hickory Grove Drive, 1479.68' on Canyon Ridge Drive and 969.08' on Timbercreek Drive.

The "R-2" zoning located approximately 250' southeast of the intersection of Timbercreek Drive and Singing Wind Drive, having 822.65' on Timbercreek Drive and a maximum depth of 201.59'.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Dr. San Martin made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished. The motion was seconded by Mr. Beckmann. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Becker, Morton, Beckmann; NAYS: None; ABSENT: Black, Lacy, Padilla, Mendoza.

AN ORDINANCE 42,216

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS A 25.206 ACRE TRACT OF LAND OUT OF NCB 15370, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "R-6" TOWNHOUSE DISTRICT; AND THE WEST 822.65' OF P-22B, NCB 15343 (3.636 ACRES), FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "R-2" TWO FAMILY RESIDENTIAL DISTRICT, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED.

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F. CASE 4982 - to rezone Lot 19, NCB 15587, from Temporary "R-1" Single Family Residential District to "B-2" Business District; and Lot 20, NCB 15587, from Temporary "R-1" Single Family Residential District to "B-3" Business District. Subject properties are located on the west side of West Plaza Drive, being approximately 200' west of the intersection of S. W. Military Drive, and West Plaza Drive, having 130' on West Plaza Drive and a maximum depth of approximately 230'. The "B-2" being on the north irregular 65' and the "B-3" being on the south irregular 65' of the subject property.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Dr. San Martin made a motion that the recommendation of the Planning Commission be approved, provided that a six foot solid screen fence is erected along the north property line abutting the single family residences. The motion was seconded by Mrs. Cockrell. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Becker, Morton, Beckmann; NAYS: None; ABSENT: Black, Lacy, Padilla, Mendoza.

AN ORDINANCE 42,217

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS LOT 19, NCB 15587, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-2" BUSINESS DISTRICT; AND LOT 20, NCB 15587, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-3" BUSINESS DISTRICT, PROVIDED THAT A SIX FOOT SOLID SCREEN FENCE IS ERECTED ALONG THE NORTH PROPEERTY LINE ABUTTING THE SINGLE FAMILY RESIDENCES.

* * * *

G. CASE 4983 - to rezone a 0.795 acre tract of land out of NCB 15591, being further described by field notes filed in the office of the City Clerk, 7050 S. W. Military Drive, from Temporary "R-1" Single Family Residential District to "B-2" Business District; located on the east side of S. W. Military Drive, being approximately 225.03' north of the intersection of S. W. Military Drive and Westward Drive, having 158.22' on Military Drive and a maximum depth of 245'.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Mr. Beckmann made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished. The motion was seconded by Dr. San Martin. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Becker, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: Black, Lacy, Padilla.

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AN ORDINANCE 42,218

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS A 0.795 ACRE TRACT OF LAND OUT OF NCB 15591, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, 7050 S. W. MILITARY DRIVE, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-2" BUSINESS DISTRICT, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED.

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H. CASE 4994 - to rezone a 1.336 acre tract of land out of NCB 15332, being further described by field notes filed in the office of the City Clerk, from Temporary "R-1" Single Family Residential District to "B-2" Business District; a 3.320 acre tract of land out of NCB 15332, being further described by field notes filed in the office of the City Clerk, from Temporary "R-1" Single Family Residential District to "B-3" Business District; a 16.611 acre tract of land out of NCB 15332, being further described by field notes filed in the office of the City Clerk, from Temporary "R-1" Single Family Residential District to "R-3" Multiple Family Residential District; and a 13.070 and 19.061 acre tract of land out of NCB 15332, being further described by field notes filed in the office of the City Clerk, from Temporary "R-1" Single Family Residential District to "R-6" Townhouse District.

The "B-2" zone is located on the east side of Pinn Road, 1610.97' south of the intersection of Brownleaf and Pinn Road, having 357.51' on the east side of Pinn Road and a total depth of 164.12'.

The "B-3" zone is located on the east side of Pinn Road, 1968.48' south of the intersection of Brownleaf and Pinn Road, having 652.02' on Pinn Road and a maximum depth of 303.12'.

The "R-3" zone is located on the east side of Pinn Road, having 175' on Pinn Road and a maximum depth of 1279.20'.

The "R-6" zone, the 13.070 acre tract of land is located 161.44' east of Pinn Road, having a length of 935.70' and a width of 652'. The 19.061 acre tract of land is located 871.20' east of the Pinn Road, having a length of 849.55' and a maximum depth of 1134.02'.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Mr. Mendoza made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished. The motion was seconded by Dr. San Martin. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Becker, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: Black, Lacy, Padilla.

AN ORDINANCE 42,219

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS A 1.336 ACRE TRACT OF LAND OUT OF NCB 15332, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-2" BUSINESS DISTRICT; A 3.320 ACRE TRACT OF LAND OUT OF NCB 15332, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-3" BUSINESS DISTRICT; A 16.611 ACRE TRACT OF LAND OUT OF NCB 15332, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "R-3" MULTIPLE FAMILY RESIDENTIAL DISTRICT; AND A 13.070 AND 19.061 ACRE TRACT OF LAND OUT OF NCB 15332, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "R-6" TOWNHOUSE DISTRICT, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED.

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I. CASE 4995 - to rezone a 3.116 acre tract of land out of NCB 15480, being further described by field notes filed in the office of the City Clerk, from Temporary "R-1" Single Family Residential District to "B-3" Business District; located on the south side of Marbach Road, being 219.82' east of the cutback between Loop 410 Expressway and Marbach Road, having 143.94' on Marbach Road and a maximum depth of 602'.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Dr. San Martin made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished and that a six foot solid screen fence is erected along the east property line. The motion was seconded by Mr. Mendoza. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Becker, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: Black, Lacy, Padilla.

AN ORDINANCE 42,220

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN

ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS A 3.116 ACRE TRACT OF LAND OUT OF NCB 15480, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-3" BUSINESS DISTRICT, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED AND THAT A SIX FOOT SOLID SCREEN FENCE IS ERECTED ALONG THE EAST PROPERTY LINE.

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J. CASE 4999 - to rezone a 0.69 acre tract of land out of Lot 1, Block 1, NCB 11696, being further described by field notes filed in the office of the City Clerk, 2227 and 2231 Lockhill-Selma Road, from "F" Local Retail District to "B-3" Business District; located between N. E. Military Drive and Lockhill-Selma Road, being 195' northwest of the cutback between N. E. Military Drive and Lockhill-Selma Road, having 120.22' on N. E. Military Drive, 120' on Lockhill-Selma Road and a maximum distance of 284.59' between these two roads.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, on motion of Mr. Morton, seconded by Mr. Beckmann, the recommendation of the Planning Commission was approved by the passage of the following Ordinance by the following vote: AYES: Cockrell, Becker, Morton, Beckmann, Mendoza; NAYS: San Martin; ABSENT: Black, Lacy, Padilla.

AN ORDINANCE 42,221

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS A 0.69 ACRE TRACT OF LAND OUT OF LOT 1, BLOCK 1, NCB 11696, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, 2227 AND 2231 LOCKHILL-SELMA ROAD, FROM "F" LOCAL RETAIL DISTRICT TO "B-3" BUSINESS DISTRICT.

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K. CASE 5001 - to rezone a 0.9781 acre tract of land out of NCB 7674, being further described by field notes filed in the office of the City Clerk, 1100 Block of East Southcross Boulevard, from "B" Two Family Residential District to "B-3" Business District; located on the north side of East Southcross Boulevard, being approximately 260' east of the intersection of U. S. Hwy 281 and East Southcross Boulevard, having 378.96' on East Southcross Boulevard and a maximum depth of 389.76'.

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Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Mr. Beckmann made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished. The motion was seconded by Mr. Morton. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Becker, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: Black, Lacy, Padilla.

AN ORDINANCE 42,222

AMENDING CHAPTER 42 OF THE CITY CODE
THAT CONSTITUTES THE COMPREHENSIVE
ZONING ORDINANCE OF THE CITY OF SAN
ANTONIO BY CHANGING THE CLASSIFICATION
AND REZONING OF CERTAIN PROPERTY
DESCRIBED HEREIN AS A 0.9781 ACRE
TRACT OF LAND OUT OF NCB 7674, BEING
FURTHER DESCRIBED BY FIELD NOTES
FILED IN THE OFFICE OF THE CITY
CLERK, 1100 BLOCK OF EAST SOUTHCROSS
BOULEVARD, FROM "B" TWO FAMILY
RESIDENTIAL DISTRICT TO "B-3"
BUSINESS DISTRICT, PROVIDED THAT
PROPER REPLATTING IS ACCOMPLISHED.

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K. CASE 5004 - to rezone Lot 35, Block K, NCB 11562, 100 Block of Skyview Drive, from "A" Single Family Residential District to "B-1" Business District; located east of the intersection of Skyview Drive and Bandera Road, having 122.1' on Skyview Drive and 220' on Bandera Road.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Mr. Mendoza made a motion that the recommendation of the Planning Commission be approved, provided that a six foot solid screen fence is erected along the north property line. The motion was seconded by Mr. Morton. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Becker, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: Black, Lacy, Padilla.

AN ORDINANCE 42,223

AMENDING CHAPTER 42 OF THE CITY CODE
THAT CONSTITUTES THE COMPREHENSIVE
ZONING ORDINANCE OF THE CITY OF SAN
ANTONIO BY CHANGING THE CLASSIFICATION
AND REZONING OF CERTAIN PROPERTY

DESCRIBED HEREIN IN AS LOT 35, BLOCK K,
NCB 11562, 100 BLOCK OF SKYVIEW DRIVE,
FROM "A" SINGLE FAMILY RESIDENTIAL
DISTRICT TO "B-1" BUSINESS DISTRICT,
PROVIDED THAT A SIX FOOT SOLID SCREEN
FENCE IS ERECTED ALONG THE NORTH
PROPERTY LINE.

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73-26

CITIZENS TO BE HEARD

MR. RAUL RODRIGUEZ

Mr. Raul Rodriguez made reference to a letter received by candidates in the last election from the Police Officers Association in which it asked if San Antonio police officers should be compelled to reside in Bexar County. He said that up to about four years ago all City employees were required to live within the City limits. Then it was changed at the request of the police. Mr. Rodriguez said that he felt all employees should be residents of the City and asked that the Council pass a resolution to that effect.

Mr. Rodriguez said that recently Mike Rivera was arrested and while handcuffed was beaten in the parking lot at County jail. He was taken to the hospital and required 15 stitches to close his wounds. Mr. Rivera would not come to the Council meeting as he was afraid of the police officers.

Mayor Becker instructed the City Manager to investigate and determine how many policemen reside outside of the City limits and also to investigate the case of alleged police brutality.

MRS. EDWARD DUNCAN

Mrs. Edward Duncan, representing the Youth Leadership Congress for Community Progress, expressed appreciation to the Council for electing Reverend Black to be the first Negro Mayor Pro-Tem of the City.

MR. RICHARD E. GARCIA

Mr. Richard E. Garcia read a petition from citizens in the Elmendorf Lake area of deploring conditions in the area because of construction. Trucks drop dirt and gravel on the paved streets and are ruining them.

In answer to Mayor Becker's request, City Manager Granata said that he would contact the responsible contractor to have the situation alleviated.

MR. ANDREW TAYLOR

Mr. Andrew Taylor, representing Parent-Youth Home Environment Study, a drug prevention program, said that his group had met with some success in putting suggestion boxes in various schools last year. He felt that the program could be broadened by putting suggestion boxes in various business establishments and asked for endorsement by the Council.

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After discussion of the matter, Mr. Taylor was asked to get in immediate contact with Associate City Manager, William Donahue, who could then make his recommendation to the Council.

MRS. HELEN DUTMER

Mrs. Helen Dutmer, read a proposed resolution to the Council and asked that the Council study it and act favorably on it. The resolution urges the Legislature to pass legislation exempting certain properties from ad valorem taxes. It was hoped that by this means the Houston Terrace Little League would get some tax relief.

Mrs. Cockrell asked for a staff report on this item and that it be placed on the agenda very soon.

73-26 The following Ordinances were read by the Clerk and explained by Mr. John Brooks, Director of Purchasing, and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Cockrell, Becker, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: San Martin, Black, Lacy, Padilla.

AN ORDINANCE 42,224

APPROVING THE ASSIGNMENT OF THAT CONTRACT PROVIDING FOR SEWAGE SLUDGE REMOVAL AT MUNICIPAL WASTEWATER TREATMENT PLANTS FROM WILLIAM R. DEAN TO BEXAR AGRICULTURAL ENTERPRISES, INC.

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AN ORDINANCE 42,225

ACCEPTING THE LOW BID OF OLEET & CO. INC. TO FURNISH THE CITY WITH CERTAIN PLASTIC NAME BADGES FOR A TOTAL SUM OF \$2,575.00.

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AN ORDINANCE 42,226

ACCEPTING THE LOW BID OF PACEMAKER INDUSTRIES, INC. TO FURNISH THE CITY WITH CERTAIN ALUMINUM SIGN BLANKS ON AN ANNUAL CONTRACT BASIS OF \$53.00 PER HUNDREDWEIGHT.

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AN ORDINANCE 42,227

ACCEPTING THE LOW QUALIFIED BID OF WARRIOR SECURITY DEVICES TO FURNISH THE CITY OF SAN ANTONIO WITH VISUAL-AUDIBLE WARNING SIGNALS FOR A PERIOD TERMINATING JULY 31, 1974, AND AUTHORIZING PAYMENT.

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AN ORDINANCE 42,228

ACCEPTING THE LOW QUALIFIED BID OF
TESORO PETROLEUM CORP. AND ARMSTRONG
& ASSOCIATES TO FURNISH THE CITY OF
SAN ANTONIO WITH GASOLINE FOR THE
1973-74 FISCAL YEAR.

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73-26 Mayor Becker suggested that a letter go to Dr. Robert West, Chairman of Tesoro Petroleum Corporation, thanking him for his cooperation in assisting the City in obtaining guaranteed fuel supplies in the face of the current gasoline shortage.

73-26 The following Ordinance was read by the Clerk and explained by Mr. Michael J. Kutchins, Assistant Director of Aviation, and after consideration, on motion of Mr. Mendoza, seconded by Mrs. Cockrell, was passed and approved by the following vote: AYES: Cockrell, Becker, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: San Martin, Black, Lacy, Padilla.

AN ORDINANCE 42,229

MANIFESTING AN AGREEMENT WITH GULF
OIL CORPORATION TO RENEW FOR AN
ADDITIONAL FIVE YEAR TERM, ACCORDING
TO THE SAME TERMS AND CONDITIONS,
THAT PERMIT PROVIDING FOR DELIVERY
OF AVIATION FUEL AND LUBRICANTS INTO
STORAGE FACILITIES OR DISPENSING
FACILITIES OF LESSEES AT STINSON
FIELD.

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73-26 The following Ordinances were read by the Clerk and explained by members of the Administrative Staff and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: Black, Lacy, Padilla.

AN ORDINANCE 42,230

GRANTING PERMISSION TO THE CITY
PUBLIC SERVICE BOARD TO EXTEND AND
INSTALL A GAS MAIN UPON CERTAIN
PROPERTY AT SAN ANTONIO INTERNATIONAL
AIRPORT.

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AN ORDINANCE 42,231

MANIFESTING AN AGREEMENT WITH DIXIE
DECORATORS, INC. TO AMEND THE CURRENT
AGREEMENT FOR LEASE OF BUILDINGS 311
AND 312 IN HEMISFAIR PLAZA SO AS TO

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WAIVE THE CITY'S LANDLORD'S LIEN
AGAINST CERTAIN AIR CONDITIONING
EQUIPMENT TO BE INSTALLED BY LESSEE
ON THE LEASED PREMISES.

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73-26 Mrs. Cockrell asked Mr. James Gaines, Director of HemisFair Plaza, to brief the new Council on the current operations at HemisFair at an early date.

73-26 The following Ordinances were read by the Clerk and explained by members of the Administrative Staff and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: Black, Lacy, Padilla.

AN ORDINANCE 42,232

AUTHORIZING EXECUTION OF AN AGREEMENT
WITH THE STATE OF TEXAS - TEXAS HIGHWAY
DEPARTMENT, PROVIDING FOR CITY OPERATION
AND MAINTENANCE OF STATE-OWNED TRAFFIC
CONTROL SIGNALS AT CERTAIN LOCATIONS
IN THE NEWLY ANNEXED AREAS.

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AN ORDINANCE 42,233

APPROVING THE CONTINUATION AND FINAL PLAN
OF THE MODEL CITIES PROGRAM AS A PART OF
THE COMPREHENSIVE CITY DEMONSTRATION PLAN,
APPROVING THE REVISED GRANT BUDGET FOR
THE MODEL CITIES PROGRAM, AUTHORIZING
SUBMISSION TO THE DEPARTMENT OF HOUSING &
URBAN DEVELOPMENT FOR APPROVAL, AUTHORIZING
THE CITY MANAGER TO ACCEPT THE REVISED
GRANT TO BE TENDERED BY D-HUD, AUTHORIZING
THE CITY MANAGER TO ENTER INTO A CONTRACT
WITH AN OPERATING AGENCY FOR CARRYING OUT
ONE PROJECT, DESIGNATING VARIOUS CITY
DEPARTMENTS TO CARRY OUT SIX OTHER PROJECTS,
ESTABLISHING VARIOUS NEW ACCOUNTS, AUTHORIZING
TRANSFERS OF MODEL CITIES SUPPLEMENTAL FUNDS,
APPROPRIATING THE SUM OF \$39,540 PAYABLE TO
AN OPERATING AGENCY FOR CONTRACTUAL SERVICES
TO BE RENDERED IN CONNECTION WITH THE MODEL
CITIES CONTRACT, APPROPRIATING THE SUM OF
\$1,995,248 OUT OF MODEL CITIES SUPPLEMENTAL
FUNDS TO BE TRANSFERRED TO VARIOUS DEPARTMENTAL
ACCOUNTS TO PROVIDE FOR THOSE PROJECTS TO BE
CARRIED OUT BY CITY DEPARTMENTS, AUTHORIZING
THE CITY MANAGER TO EXECUTE DOCUMENTS ASSURING
COMPLIANCE BY THE CITY WITH REQUIREMENTS OF
THE UNIFORM RELOCATION ASSISTANCE & REAL
PROPERTY ACQUISITION POLICIES ACT OF 1970
IN CONNECTION WITH ALL PROPERTY ACQUIRED
IN CARRYING OUT THE MODEL CITIES COMPREHENSIVE
DEMONSTRATION PLAN, ACCEPTING THE NON-USE OF
LEAD BASE PAINT IN RESIDENTIAL STRUCTURES,
ACCEPTING THE CLEAN AIR STANDARDS, AND

AUTHORIZING THE NECESSARY ACCOUNTING PROCEDURES TO BE PERFORMED IN ACCORDANCE WITH THE REVISED GRANT BUDGET.

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AN ORDINANCE 42,234

ACCEPTING THE LOW BID OF HOUSE-BRASWELL COMPANY FOR CONSTRUCTION OF THE SABINAS STREET BRIDGE OVER THE ALAZAN CREEK; AUTHORIZING EXECUTION OF A CONTRACT COVERING SAID WORK; APPROVING PAYMENT OF \$154,113.28 OUT OF MODEL CITIES FUNDS TO SAID CONTRACTOR AND \$7,706.00 TO BE USED AS A MISCELLANEOUS CONTINGENCY FUND.

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AN ORDINANCE 42,235

DECLARING A PUBLIC NECESSITY FOR THE ACQUISITION OF THE FEE SIMPLE TITLE AS WELL AS A TEMPORARY EASEMENT TO CERTAIN PRIVATELY OWNED REAL PROPERTY IN SAN ANTONIO, BEXAR COUNTY, TEXAS, FOR PUBLIC PURPOSES, TO WIT: THE LOCATION, CONSTRUCTION, OPERATION, RECONSTRUCTION, IMPROVEMENT, REPAIR AND MAINTENANCE OF THE QUINTANA ROAD GRADE SEPARATION PROJECT; AND DIRECTING THE CITY ATTORNEY TO INSTITUTE AND PROSECUTE TO CONCLUSION CONDEMNATION PROCEEDINGS TO ACQUIRE SO MUCH THEREOF AS CANNOT BE ACQUIRED THROUGH NEGOTIATION.

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AN ORDINANCE 42,236

DECLARING A PUBLIC NECESSITY FOR THE ACQUISITION OF EASEMENTS ACROSS CERTAIN PRIVATELY OWNED REAL PROPERTY IN BEXAR COUNTY, TEXAS, FOR PUBLIC PURPOSES, TO WIT: THE LOCATION, CONSTRUCTION, RECONSTRUCTION, IMPROVEMENT, REPAIR AND MAINTENANCE OF THE SAN ANTONIO RIVER OUTFALL SEWER MAIN; AND DIRECTING THE CITY ATTORNEY TO INSTITUTE AND PROSECUTE TO CONCLUSION CONDEMNATION PROCEEDINGS TO ACQUIRE SO MUCH THEREOF AS CANNOT BE ACQUIRED THROUGH NEGOTIATION.

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73-26 Item 14, being an item to consider a Resolution concerning the submittal of an application to the Texas State Department of Health by the International Disposal Corporation for an Experimental Operation Sanitary Landfill to be located in the vicinity of Pinn Road in the City of San Antonio, was withdrawn from consideration at the request of the City Manager.

May 17, 1973
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73-26 Mr. Mendoza asked that word be sent to the Bexar County delegation in Austin concerning action taken today concerning New Town In Town.

Council was advised that there is a scheduled meeting of the staff, San Antonio New Town, and the Bexar delegation tomorrow at which time the whole matter will be discussed.

73-26 Dr. San Martin said that in line with recent plans to improve liaison with representatives, he felt official word should be sent to them.

The City Manager was instructed to do what is necessary.

73-26 Dr. San Martin called attention to a letter from the League of United Chicanos making suggestions regarding summer youth employment. He asked that the matter be taken under advisement and asked that the City Manager report on the suggestion next week.

73-26 Mrs. Cockrell called attention to a letter received from Louis T. Rosenberg regarding the Community Renewal Program, Report No. 1 and Report No. 2 asking that the Council go forward with those programs. She asked that the staff furnish the Council with a report.

73-26 Mr. Cliff Morton asked that the Director of Traffic and Transportation furnish a full answer on the matter of street lights by next week. The questions are: How many street lights are required in the newly annexed area in order for them to be adequately lighted and at the normal rate of installation, how long would it take. By putting on a big push, when could it be done?

73-26 The Clerk read the following letter:

May 11, 1973

Honorable Mayor and Members of the City Council
City of San Antonio, Texas

Gentlemen and Madam:

The following petition was received by my office and forwarded to Mr. Norman Hill, San Antonio Transit System, for investigation and report to the City Council.

May 9, 1973

Petition of Mrs. Reversa Alexander, et al, requesting better bus service in the Dellcrest Estates area, as well as asking that the present bus service not be discontinued.

/s/ J. H. INSELMANN
City Clerk

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There being no further business to come before the Council, the meeting adjourned at 4:10 P.M.

ATTEST:

J. H. Inselmann
City Clerk

May 17, 1973

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A P P R O V E D
M A Y O R
Charles L. Becker