

AN ORDINANCE

99089

AUTHORIZING THE CREATION OF THE CITY OF SAN ANTONIO EMPOWERMENT ZONE GOVERNANCE BOARD TO ASSIST AND ADVISE CITY COUNCIL AND STAFF IN THE IMPLEMENTATION OF THE SAN ANTONIO EMPOWERMENT ZONE, APPROVED BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) IN JANUARY, 2002; NAMING THE CITY COUNCIL AS THE INTERIM GOVERNING BOARD TO CONDUCT BUSINESS AS NEEDED UNTIL THE PERMANENT BOARD BECOMES OPERATIONAL; APPROVING THE BYLAWS FOR THE GOVERNANCE BOARD AND ESTABLISHING THE PROCESS FOR THE NOMINATION, ELECTION AND INSTALLATION OF THE OFFICERS TO THE GOVERNANCE BOARD.

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WHEREAS, on January 16, 2002, San Antonio (the "City") was selected as one of eight U.S. cities to receive designation as a Round III Urban Empowerment Zone from the U.S. Department of Housing and Urban Development ("HUD"); and

WHEREAS, the City's application to HUD specified that the City would establish a Governance Board (the "Board") to assist and advise City Council and staff in the operation of the Zone; and

WHEREAS, the City of San Antonio Empowerment Zone (the "Zone") is designed to promote economic development in distressed areas of our community by targeting federal tax incentives as catalysts for private investment by businesses that choose to locate within the Zone, thereby facilitating job opportunities for Zone residents and improving access to goods and services while promoting long-term community revitalization; and

WHEREAS, the Zone consists of twenty-one census tracts in the City's central business district and three developable sites, including the Brooks City-Base, the Fredericksburg Road Corridor and the KellyUSA/Toyota sites, a map of which is attached hereto in incorporated herein as Attachment I; and

WHEREAS, in support of the City's *Strategic Plan for Enhanced Economic Development*, the Empowerment Zone Governance Board (the "Board") will assist City Council and staff in leveraging the Zone incentive tools to achieve maximum economic benefits; and

WHEREAS, in order to maintain a workable size, the proposed composition of the Board has been modified from the original Zone application submitted by the City to HUD; and

WHEREAS, while the original application proposed a Board consisting of 29 members, the current proposed Board is composed of 17 members to be appointed by the City of San Antonio City Council to include three (3) residents who have lived in the City of San Antonio Empowerment Zone (the "Zone") for no less than one year; a representative from workforce development; an owner/manager of a small business located in the Zone for no less than one year, employing less than 500 individuals; an owner/manager of a large business located in the Zone for no less than one year, employing 500 or more individuals; a financial institution representative; a small business

lender; a Brooks City-Base Developable Site representative; a Fredericksburg Road Corridor Developable Site representative; a KellyUSA/Toyota Developable Site representative; an education community representative; a Zone community-based organization; and four (4) other key Zone stakeholders; and

WHEREAS, HUD has reviewed this proposed structure and given tentative approval of the make-up and duties of the Board, which include providing input and advising staff on the evaluation of projects eligible for Empowerment Zone Facility Bond financing; prioritizing bonding capacity among all eligible projects; marketing the Zone to existing/prospective businesses; allocating and utilizing the allowable development acreage (2,000 acres) within the three developable sites; developing and implementing strategies to utilize the Zone business incentives; leveraging available workforce programs to maximize job opportunities for Zone residents; and ensuring sufficient resources to effectively administer the Zone; and

WHEREAS, the City Council desires to be named as the Interim Governance Board to conduct business on behalf of the Zone until the full permanent Board is named and becomes operational; and

WHEREAS, the City Council finds that the creation of the proposed City of San Antonio Empowerment Zone Governance Board furthers the objectives of the Economic Development Department and the City of San Antonio in promoting the development of local business interests; and

WHEREAS, the City Council further finds that authorizing and approving the appointment of City Council as the Interim Governing Board is in the best interest of the City until the full permanent Board is operational; and

WHEREAS, the City Council also finds that it is in the best interest of the City to approve the Governance Board Bylaws attached hereto and incorporated herein as Attachment II; **NOW THEREFORE:**

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

SECTION 1. CREATION. The proposed advisory board to the City of San Antonio City Council to be known as the "City of San Antonio Empowerment Zone Governance Board" (the "Board") is hereby created. The City of San Antonio City Council is further hereby named as the Interim Governing Board of the City of San Antonio Empowerment Zone Governance Board to conduct business as needed until the permanent Board becomes operational.

SECTION 2. APPOINTMENTS. The permanent Board shall be comprised of seventeen (17) members appointed by the City of San Antonio City Council from the following: three (3) City Council-appointed Zone resident who have lived in the City of San Antonio Empowerment Zone (the "Zone") for no less than one year; a representative from workforce development; an owner/manager of a small business located in the Zone for no less than one year, employing less than 500 individuals; an owner/manager of a large business located in the Zone for no less than one year, employing 500 or more individuals; a financial institution representative; a small business lender; a Brooks City-Base Developable Site representative; a Fredericksburg Road Corridor Developable Site representative; a KellyUSA/Toyota Developable Site representative; an education community representative; a Zone community-based organization; and four (4) other key Zone

stakeholders. The Board will be supported by the staff of the Economic Development Department of the City of San Antonio and will be advised by the City of San Antonio Director of Finance and the City of San Antonio Director of Housing and Community Development.

SECTION 3. PURPOSE. The Board will provide advice and assistance to the City Council in the evaluation and ranking of projects eligible for Empowerment Zone Facility Bond financing; the prioritization and allocation of bonding capacity among eligible projects; the marketing of the Zone to existing and prospective business clients; the allocation and utilization of the allowable development acreage (2,000 acres) within the three developable sites consisting of Brooks City-Base, Fredericksburg Road Corridor and the KellyUSA/Toyota site; the development of strategies to utilize Zone business incentives, such as the New Markets Tax credits; the efficient utilization of available workforce programs to maximize job opportunities for Zone residents; and the provision of sufficient staff resources and funding within the City to effectively administer the Zone. The Board will further assist and advise the City of San Antonio City Council and City staff in the implementation of the Strategic Plan for the San Antonio Empowerment Zone. The Board will meet as often as necessary, but not less than one (1) time per year. The Board meetings will be open to the public and held in accordance with the requirements of the Texas Open Meetings Act.

SECTION 4. TERM. Each member of the Board will serve for a term of two (2) years and may serve no longer than three (3) complete consecutive two-year terms. However, in accordance with Section 160 of the City of San Antonio Charter, a Board member shall continue to hold office until his/her successor is appointed and qualified.

SECTION 5. REMOVAL. The Board members may be removed from the Board at the discretion of the City Council and without cause.

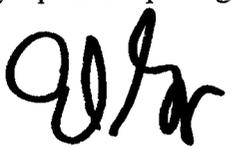
SECTION 6. REQUIREMENTS. The Board members must comply with the provisions of the City of San Antonio Ethics Code and must also file a completed Financial Disclosure Report with the Clerk of the City of San Antonio, upon appointment to the Board and annually thereafter.

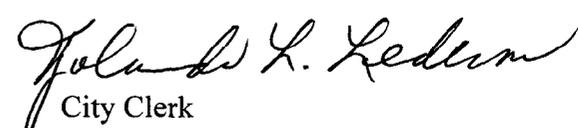
SECTION 7. COMPENSATION. The Board members will serve without compensation.

SECTION 8. The City Council hereby approves the City of San Antonio Empowerment Zone Governance Board Bylaws as designated in Attachment II.

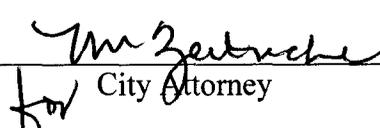
SECTION 9. This ordinance shall be effective immediately upon the passage of eight affirmative votes.

PASSED AND APPROVED this 15TH day of April, 2004.


M A Y O R
EDWARD D. GARZA

ATTEST: 
City Clerk

APPROVED AS TO FORM: _____


for City Attorney