

AN ORDINANCE 100482

**APPROVING THE TERMS AND CONDITIONS AND AUTHORIZING THE EXECUTION OF AN AGREEMENT WITH THE SAN ANTONIO TECHNOLOGY ACCELERATOR INITIATIVE (“SATAI”) NETWORK, L.L.C., A SINGLE-MEMBER TEXAS LIMITED LIABILITY CORPORATION ACTING THROUGH ITS FISCAL AGENT, THE TEXAS RESEARCH PARK FOUNDATION, TO ESTABLISH THE TERMS AND CONDITIONS OF A \$500,000.00 GRANT TO ASSIST THE SATAI NETWORK IN PROMOTING AND FACILITATING THE COMMUNITY’S TECHNOLOGY INITIATIVES.**

\* \* \* \* \*

**WHEREAS**, through the completion of a technology strategic plan commissioned by the City of San Antonio (the “City”) in February 2000, it was determined that an organization focused on accelerating technology-driven new enterprise growth was a necessary component in the development of San Antonio’s economy; and

**WHEREAS**, in furtherance of this determination, SATAI was created in April 2001 with financial assistance provided by the City in subsequent budgetary processes; and

**WHEREAS**, the mission of SATAI is to identify, aggregate and coordinate resources, initiatives and networks necessary to foster the growth of the City’s technology-based growth industries; and

**WHEREAS**, in order to achieve this mission, SATAI operates the following four programs:

1. The Enterprise Services program provides entrepreneurs developing technology-based ventures with direct hands-on technical assistance in achieving their business objectives; and
2. The Capital Network focuses on developing capital resources for the City’s emerging technology sectors; and
3. The Network Services program coordinates and facilitates communication and interaction among the City’s investor, service provider and entrepreneurial organizations; and
4. The Special Projects program provides assistance to the City, academic institutions, government and development authorities in pursuing City initiatives designed to advance technology-related economic development opportunities, including the coordination of the Southwest Enterprise for Regional Preparedness (“SERP”); and

**WHEREAS**, SATAI has been very successful in achieving its mission, illustrated by the following table highlighting some of its results:

<b>Measure</b>	<b>2003 to 2004</b>
Total clients served	228
Commercialization potential clients	54
Commercialization activity clients	26
New high-tech jobs created	187
Investor portfolio clients	15
Clients securing investments	9
Rounds of investments	16
Accredited investors in network	62
Client presentations to investors	67
Total seed investment in SATAI clients	\$9.44 million
Total VC investment in SATAI clients	\$12.6 million
Total investment	\$22.04 million

**WHEREAS**, in 2004, SATAI also created SATAI U Executive Seminar Series to offer entrepreneurs in early-stage companies a comprehensive opportunity to receive accelerated education on key issues related to taking their business to the next level; and

**WHEREAS**, series topics include current trends in valuation, creation and compensation of executive teams, negotiation of investment terms and preparing for the due diligence process; and

**WHEREAS**, SATAI also created and hosted the Stars of Innovation Gala, honoring some of the scientists, engineers and business persons who have made significant technological contributions; and

**WHEREAS**, the mission and programs furthered by SATAI are consistent with the City's *Strategic Plan for Enhanced Economic Development*; and

**WHEREAS**, the \$500,000.00 grant to SATAI will assist the network in furthering the City's economic development interests in the technology sector; **NOW THEREFORE:**

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

**SECTION 1.** The City Council hereby approves the terms and conditions of the agreement granting \$500,000.00 to the San Antonio Technology Accelerator Initiative (SATAI) Network, L.L.C., acting through its fiscal agent, the Texas Research Park Foundation, a signed copy of which is attached hereto and incorporated herein as Attachment I.

**SECTION 2.** The Interim City Manager or his designee is authorized, for a forty-five (45) day period from the effective date of this ordinance, to execute an Agreement as approved in Section 1. The final Agreement shall be filed with this Ordinance upon execution.

**SECTION 3.** Section 1 funds were appropriated in the Fiscal Year 2005 budget process, and funds will be encumbered in Cost Center 7001990001, General Ledger 5201040 entitled "Fees to Professional Contractors", in Fund 11001000 entitled "General Fund", in the amount of \$500,000.00 to assist the SATAI Network. Payment is authorized to the Texas Research Park Foundation.

**SECTION 4.** The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director may, subject to concurrence by the Interim City Manager or his designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

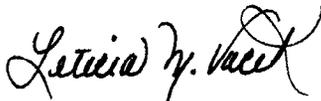
**SECTION 5.** This ordinance shall be effective on February 28, 2005 upon the passage of eight (8) affirmative votes.

PASSED AND APPROVED this 24th day of February, 2005.

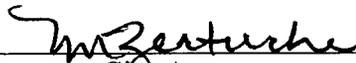


M A Y O R  
EDWARD D. GARZA

ATTEST:

  
City Clerk

APPROVED AS TO FORM: \_\_\_\_\_

  
for City Attorney

# Agenda Voting Results

**Name:** 22.

**Date:** 02/24/05

**Time:** 07:02:22 PM

**Vote Type:** Multiple selection

**Description:** An Ordinance approving the terms and conditions and authorizing the execution of an agreement with the San Antonio Technology Accelerator Initiative ("SATAI") Network, L.L.C., a single-member Texas Limited Liability Corporation acting through its fiscal agent, the Texas Research Park Foundation, to establish the terms and conditions of a \$500,000.00 grant to assist the SATAI Network in promoting and facilitating the community's technology initiatives. [Presented by Ramiro A. Cavazos, Director, Economic Development; Jelynne LeBlanc Burley, Assistant City Manager]

Voter	Group	Status	Yes	No	Abstain
ROGER O. FLORES	DISTRICT 1	Not present			
JOEL WILLIAMS	DISTRICT 2		x		
RON H. SEGOVIA	DISTRICT 3		x		
RICHARD PEREZ	DISTRICT 4	Not present			
PATTI RADLE	DISTRICT 5		x		
ENRIQUE M. BARRERA	DISTRICT 6		x		
JULIAN CASTRO	DISTRICT 7	Not present			
ART A. HALL	DISTRICT 8		x		
CARROLL SCHUBERT	DISTRICT 9	Not present			
CHIP HAASS	DISTRICT_10		x		
MAYOR ED GARZA	MAYOR		x		