

AN ORDINANCE

2011-12-15-1061

APPROVING THE FISCAL YEAR 2011-2012 ACTION PLAN OF THE
ECONOMIC DEVELOPMENT FOUNDATION.

* * * * *

WHEREAS, in 2008, the City of San Antonio (the "City") initiated efforts to enhance its focus on corporate retention and recruitment by creating a Corporate Retention and Recruitment Committee (the "Committee") whose charge was to develop a comprehensive and inclusive plan for the strategic development of San Antonio's economy, with a narrowed focus on developing recommendations for an enhanced economic development structure and workflow and the requirement for a community-wide long range vision and strategic plan; and

WHEREAS, the Committee's recommendations were presented and accepted by the City Council on December 10, 2009 and City staff was directed to begin implementation of the recommendations which included entering into an agreement with the San Antonio Economic Development Foundation (the "EDF"), a private, non-profit organization that assists business and industry relocating or expanding into the San Antonio area; and

WHEREAS, the City and EDF agreed upon terms and conditions of a professional services agreement (the "Agreement") which included the development of an annual action plan approved by the respective governing boards of both City and EDF; and

WHEREAS, the attached 2010-2011 Action Plan is being submitted by City staff for approval and upon such approval it shall become Exhibit B of the Agreement; **NOW THEREFORE:**

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

SECTION 1. The 2011-2012 Action Plan of the Economic Development Foundation is approved and shall become Exhibit B of the Professional Services Agreement between the City and EDF. A copy of the 2011-2012 Action Plan is attached to this Ordinance as Attachment I.

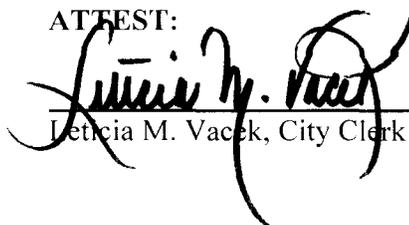
SECTION 2. This Ordinance shall become effective on and after the tenth (10th) day after passage hereof.

PASSED AND APPROVED this 15th day of DECEMBER 2011.



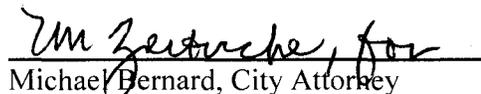
M A I O R
Julián Castro

ATTEST:

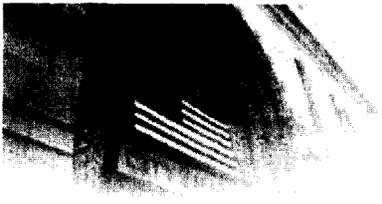


Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:

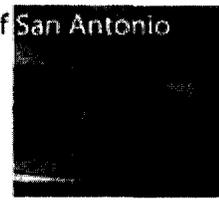


Michael Bernard, City Attorney



Request for
**COUNCIL
ACTION**

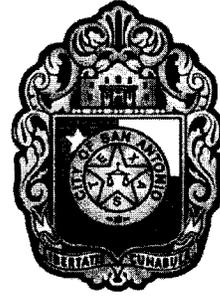
City of San Antonio



Agenda Voting Results - 42

Name:	6, 7, 8, 10, 11, 12, 13, 14, 16, 18, 19, 20, 21, 22, 23, 26, 27, 28, 29, 30A, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 48						
Date:	12/15/2011						
Time:	10:36:06 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance approving the 2011-2012 Action Plan between the City of San Antonio and the San Antonio Economic Development Foundation. [Pat DiGiovanni, Deputy City Manager; Rene Dominguez, Director, Economic Development]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Diego Bernal	District 1		x				
Ivy R. Taylor	District 2	x					
Jennifer V. Ramos	District 3		x			x	
Rey Saldaña	District 4		x				x
David Medina Jr.	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7		x				
W. Reed Williams	District 8		x				
Elisa Chan	District 9		x				
Carlton Soules	District 10		x				

ATTACHMENT I



ACTION PLAN FOR ECONOMIC DEVELOPMENT

Oct. 2011 – Sept. 2012

Presented by the San Antonio Economic Development Foundation

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EXHIBIT B: YEAR TWO ACTION PLAN SAEDF / CITY OF SAN ANTONIO CONTRACT

I. INTRODUCTION

During year two (2) of the San Antonio Economic Development Foundation (SAEDF) contract with the City of San Antonio, we expect to continue to improve the Economic Development System. This Action Plan focuses on the recruitment of new job producing investments, the retention and expansion of local companies and the marketing / imaging of the community for economic development purposes.

In year two (2), this Action Plan focuses on a number of topic / program areas that were discussed and initiated in the first nine (9) months of the year one contract. These areas include:

- The continued improvement of coordination and communication.
- The refinement of the BRE process and procedures to include the inclusion and importance of community partners in the BRE program results.
- Clarification of key target industry sectors and demand occupations.
- Realistic expectations assigned to Horizon Sectors and New Economy companies.
- The need for the development of a community-wide strategic plan for economic development led by the Mayor and the County Judge as outlined in the year one contract / Action Plan.

It should be noted that at the end of the City's 3rd quarter (June 30, 2011), County funding for the expanded San Antonio Economic Development Foundation wasn't in place, but it's expected in the 4th quarter. This is a key point since the original contract / Action Plan stated that "deliverables are based on both City and County funding."

Additionally, for this Action Plan to be successful and for the continued success in attracting and creating job producing investments, the following items need to be put in place during year two of the contract (Oct. 1, 2011 through Sept. 30, 2012).

- A vision and community-wide strategic plan for economic development led by the Mayor and the County Judge.
- Competitive incentive packages for high-skill and high-wage projects.
- New priority incentives for target areas in the City.
- Complete funding from Bexar County for the expanded SAEDF.

Finally, the first nine (9) months of the year one contract have been successful and the vast majority of SAEDF's goals will be met or exceeded by the end of the contract year. The coordination between SAEDF and City staff and leadership continues at a high level but the confidentiality of business prospects and information remains intact. Confidentiality must be a key consideration and upheld for this Action Plan and our future economic development activities.

II. PURPOSE / MISSION

To facilitate a more integrated approach to economic development, this Action Plan also assumes a highly aligned Services Agreement and budgetary investment, incorporating Bexar County as a principal partner in the near future, and consequently presents a level of effort and geographic reach covering both the City and County.

Deliverables are based on funding from both the City and County.

SERVICE AREA

For purposes of SAEDF activities funded by the City, services will be delivered for the principal benefit of the area and residents within the boundaries of the city of San Antonio and its ETJ in effect during the contract period. For purposes of SAEDF activities funded by Bexar County, services will be delivered for the principal benefit of the area and residents within the boundaries of Bexar County.

SCOPE OF SERVICE KEY DELIVERABLE ELEMENTS

- 1) Recruit / Retain / Expand business in current targeted industry and local business clusters with a specific focus on the SA2020 targeted sectors of Healthcare and Biosciences, Aerospace, Information Security and Information Technology and the New Energy Economy.
- 2) As needed research reports on global and national economic trends, growth sectors, and regional competitiveness issues.
- 3) Plan, design, and implement coordinated marketing and imaging campaigns.
- 4) When possible inform and advise the City of San Antonio and Bexar County on business recruitment, retention and expansion issues and opportunities.
- 5) Provide site selection assistance for prospect companies providing options and information on all areas of the city and, when appropriate, an emphasis on targeted areas of the City and County.
- 6) Provide reports as specified in Section 2.3c of the City Contract.

III. AREAS OF EMPHASIS AND KEY METRICS

INTRODUCTION

The scope of work will continue to focus on both the recruitment of new job producing investments and the retention and expansion of local companies. During the first nine (9) months of the year one contract, eleven (11) companies have announced new plans for investment and jobs that were recruited from outside the San Antonio area and three (3) were local companies making announcements of expanded facilities. Trends continue to see growth of back office operations (such as PETCO and VMC), but also company locations in Horizon Sectors (such as Sun Edison and the National Center for Appropriate Clean Technology, both New Energy Economy companies). Two (2) of the companies are specifically anchored in the Information Technology sector; VMC is providing contract support for Apple's iPad and iPhone from its San Antonio facility and Chevron is building a \$200 million data center to support its U.S. operations.

A. RECRUITMENT

SAEDF will continue to target core business sectors with a proven competitive advantage and track record in the San Antonio region. The Healthcare and Biosciences, Aerospace, Financial and Professional Services operations, Distribution and Manufacturing sectors have well-established infrastructure, supply lines, and labor force in place to be successful and continue to grow.

Diversification toward a more progressive and growth-oriented economy will add new layers to this already strong foundation, through recruitment of knowledge intensive and innovative firms, such as clean technology, renewable energy operations, cybersecurity and IT, as well as R&D facilities, international, and headquarter operations.

Competing effectively for these operations will be strengthened through favorably aligned local government policies, services, capital investments, education and workforce development, transportation, infrastructure, utilities, financial institutions and real estate offerings, etc. Coordination will be required to appropriately leverage resources, expertise, and connections with our City and County leadership and economic development departments, local chambers, trade associations, Alamo Colleges, Workforce Solutions Alamo, Texas Research and Technology Foundation, Texas Workforce Commission, BioMed SA, Free-Trade Alliance, Startech, Governor's Office, higher-education, media, and many others.

Recruitment activities will place an emphasis on operations which offer a greater proportion of high-skill / high-wage jobs and industry diversification with a focus on the SA2020 targeted industry sectors. Aggressive and tailored new incentive packages will be

sought through the City and County for prospects seeking target locations such as downtown and southern Bexar County. As new strategic plans are developed, in partnership with the Mayor and County Judge’s leadership, to redefine our community for 2020 and beyond, plans will be incorporated to further refine recruitment targets for the future.

Year Two quantifiable goals for recruitment include metrics addressing:

- total added payroll
- number of high-wage jobs

These are in addition to the basic deliverables of:

- number of qualified prospects
- number of located companies and locally expanded operations
- total new jobs created

	Target	Change from 2011 Goal
New qualified prospects	103	+10%
Locations / expansions	20	+25%
New jobs created	3,300	+10%
Payroll*	\$90M	-26%
High-wage jobs**	920	+7%

* Payroll as reported by employers less benefits.

** High-wage jobs can be reported as either: (1) the number of qualified professional jobs reported in high-wage industries (e.g. advanced business services, aerospace, life sciences, renewable energy, high-tech / IT); or (2) as the percentage of jobs whose earnings are above the county average weekly wage (average for the most recent four quarters) as reported quarterly by the Bureau of Labor Statistics (currently \$41,600). Should data from the company not be available, and with the agreement of the City, option two could be determined using an occupational matrix based on IMPLAN data or from TWC data.

Target Goals for SA2020 Sectors	Target
New qualified prospects	12
Locations / expansions	2
New jobs created	330

Note: Target Goals for SA2020 Sector are included in the Goals for the Fiscal Year 2011 – 2012.

B. SECONDARY

SAEDF continues to monitor the total number of announced jobs in a given time period, as a portion of the total number of jobs created in the San Antonio MSA for the same time period. For example, from October 1, 2010 through June 30, 2011, (9 months of the first contract year) SAEDF assisted projects that announced 2,248 jobs, compared to the creation of 11,268 new jobs in the San Antonio MSA, a very high 20%. The announced jobs are not all filled immediately, but we feel this is a good secondary metric to monitor performance as it pertains to the region's economic activity. This comparison may result in modification of the primary metrics based upon economic conditions. Because of a 12-month lag in data, this information will only serve as a measurement guide.

C. BUSINESS RETENTION

SAEDF initiated the development and implementation of a new Business Retention and Expansion (BRE) program during the first year of the contract. The primary purpose of the program is to retain and expand local business in key industry clusters and encourage job growth in the local corporate base.

During the second year of the contract, SAEDF will continue to work with our area partners including the City of San Antonio, Bexar County, The Greater San Antonio Chamber of Commerce, The North Chamber of Commerce, the San Antonio Manufacturers Association, CPS Energy and other business organizations that will dedicate resources and staff to assist with BRE meetings.

SAEDF has modified the program due to 1) the difficulty in obtaining appointments with local companies and 2) because area partners prefer that SAEDF make the appointments and they participate when available. Our initial expectation was that area partners were to also organize BRE visits separate from SAEDF.

During the nine (9) months of the first year contract, SAEDF had 54 contacts / visits in the BRE Program. In fiscal year 2012, SAEDF will continue to target key business and industry clusters along with area partners.

Targeted clusters for the second contract year include Bioscience / Healthcare, Manufacturing and Information Security / Technology. The Manufacturing and IT / Cybersecurity focus is a carry-over from the first year contract. To augment the impact of the BRE Program during the second year, we will also focus on regional areas of the city particularly the East and West side of San Antonio and work directly with regional entities in those areas.

Also a continuing BRE effort will be calling on SAEDF assisted companies that have located in San Antonio in the past ten (10) years as well as continuing visits to key high profile local employers. When appropriate and based on availability, these high profile visits will include the participation of the City and County leadership. The Greater Chamber has expressed an interest in assisting with this portion of the BRE Program and will be engaged and encouraged to visit some of these companies on their own time.

For fiscal year 2012 our target goal is to visit 60 companies including companies contacted / visited by our area partners. This coordinated schedule of annual visits will serve to express appreciation to key employers and to reassert the commitment of San Antonio and Bexar County to provide a favorable operating environment. Visits will also seek to identify at-risk local operations and the issues affecting their continuation of business in San Antonio.

At the beginning of each contract quarter, SAEDF will strive to identify a list of companies within the targeted cluster to be contacted and asked for an appointment. Securing meetings with the company is contingent upon the organization accepting the appointment request.

In identifying and targeting these companies, SAEDF will take into consideration the larger employers in a particular sector, region of the city, recommendations received from partner organizations, and, when available, information pertaining to companies within a sector that have the most growth potential or are facing difficulties in maintaining active operations.

The area partners with ties to the industry sector or area of the city will be asked to identify at least 30 companies to survey by email. Based on the survey results and issues identified, SAEDF and our partners will select 5 to 7 companies to target for a personal visit. Possible survey questions follow.

BRE Company Survey Instrument

SAEDF will develop and utilize a survey instrument to assess the needs and challenges facing the local companies and the specific industry, as well as to identify opportunities for growth and new job creation. Survey questions can include:

- i. What are the community's strengths as a place to do business?
- ii. What are the community's weaknesses as a place to business?
- iii. Are there any barriers to growth in this community?
- iv. Does your company have expansion plans within the next three years?

- v. Does the perception among executives at corporate headquarters about conducting business in this community differ from local management?
- vi. Are there reasons San Antonio may not be considered for future expansion?
- vii. Who are their largest suppliers in the area and the three largest out-of-area suppliers?
- viii. How would you rate the availability of skilled labor in San Antonio?
- ix. Is the company experiencing recruitment problems in attracting labor to relocate to San Antonio?
- x. Do you anticipate any significant changes in the make-up of your workforce?
- xi. Do you anticipate any federal, state, or local legislation changes that will affect your business in the next five years?
- xii. Are you experiencing any problems with City and/or County services?

SAEDF will identify a core BRE Program Team for staff visits to include but not limited to SAEDF, COSA, Bexar County and CPS Energy. SAEDF will schedule appointments based on the availability of company officials and then invite other team members to accompany SAEDF.

Survey results will be analyzed internally by SAEDF staff. A one page report will be generated summarizing the information and identifying common trends.

It is SAEDF's goal to complete a survey either online or during a personal visit to the businesses. When a local company chooses not to participate in a survey, SAEDF or personnel from the BRE Team will provide a brief summary of the contact / visit. The summary will answer basic questions such as:

1. Does the company have plans for future expansions?
2. Is the company experiencing difficulty in the San Antonio marketplace?
3. Does the company have specific recommendations to improve the San Antonio business climate and their particular industry?

Outcomes:

The BRE Program has three (3) possible outcomes:

1. To help a local business expansion.
2. To address problem areas specific to the company.
3. No action necessary.

And finally, additional positive outcomes from the BRE visitation process can benefit economic development efforts by:

- The local operation can assist SAEDF with the solicitation of visiting their headquarters to discuss local issues, expansion and / or relocation with their executives.
- Ascertaining their key supply-chain partners for introductions as prospects to also expand or relocate to San Antonio.

The following metric will be used to measure BRE performance:

	Target	Change from 2011 Goal
Annual Visits*	60	-52%

*Total number of visits made to the companies within the targeted clusters for that contract year. Goal includes visits / contacts by economic development partners.

Note: When appropriate SAEDF will provide information related to located or expanded companies and jobs that assist the City and County to determine business / industry sectors that impact council districts and county precincts.

TARGET GOALS FOR SA2020 SECTORS

	Target
Annual Visits*	12

Note: Target Goals for SA2020 Sector are included in the Goals for the Fiscal Year 2011 – 2012.

MARKETING

INTRODUCTION

During the first contract year SAEDF made great strides to enhance the San Antonio image and target new economy companies and higher wage jobs. New ads (both print and electronic) have been developed and used in the areas of sustainable energy (Green Jobs Ad), high-wage jobs (White Collar Ad) and an updated ad targeting IT / Cybersecurity (Lines of Defense Ad). Additionally, SAEDF developed two brochures, the Green Jobs brochure and IT / Cybersecurity brochure.

The first contract year also allowed SAEDF to begin the process of gathering information from area partners in order to determine the resources that are being allocated to marketing, along with the first phase of SA 2020 (Dream It), that will allow us to formulate a more comprehensive strategy for marketing and imaging of the community in the second contract year.

In year two we will continue a coordinated effort among the City, County, CVB, and SAEDF private members to develop a more consistent and coordinated image and message set, which resonates with prospects and leverages our respective distribution channels.

The additional marketing resources from the City, County, and SAEDF allows for a significant increase in our promotional and advertising output. Proposed imaging methods will focus on local assets, resources, existing companies, and opportunities presenting San Antonio's attributes to targeted sectors, Horizon Sectors (new and clean tech, cybersecurity / IT, and international markets). This message is aimed at customer groups beyond the core sectors.

We will continue to deliver a business message but expand it to appeal to companies in the green and high-tech sectors, as well as create a message that appeals to young professionals.

A. METHODOLOGY

Practical Approach

In year two of the contract a portion of the marketing budget will be allocated to initiatives that help drive prospect inquiries and market industry familiarity with the region's business proposition. Direct marketing, public relations, communication activities, marketing materials and advertising are all included in this initiative.

Strategic Approach

Marketing efforts will be aimed at specific sectors, ranking programs, award programs, analyst / consultant studies, and corporate real estate membership groups. Marketing programs will continue to highlight community assets that enforce our identity (e.g. talented human resources, unique niche advantages, targeted growth areas, and community incentive programs) with the media that supports the message that we are a progressive, business-friendly city.

The strategy includes a quality of life message appealing to knowledge based businesses. The approach will tout San Antonio's emerging and successful industries and highlight opportunities for young professionals (i.e. San Antonio is one of the "Top 20 Cities" for this set). This includes information on colleges and universities for continuing education (i.e. masters / PhD programs), salaries and benefits provided by local companies, and the cost of living - all of which are of major importance to this demographic.

Tactical Approach

Prospecting events, industry marketing conferences, seminars and other activities that reach potential investors and established networks are vital. The importance of the international markets continues to grow with opportunities in Mexico, China, Japan and other markets. The marketing approach will include two international trips during the 2nd year of the contract, including a city sponsored trip to China. The approach will also include a site consultant's event targeting key location consultants from California, Illinois, New York, New Jersey and other key states. The goal of the consultants' event is to educate these professionals on unique San Antonio attributes such as downtown, Port San Antonio, Brooks City Base and cluster industries in the market.

Marketing trips will also include a focus on SA2020 sectors planned trips for the 2nd contract year includes the following:

- Aviation MRO Conference
- Green Manufacturing Expo
- ASES National Solar
- Bio International
- Aerospace – NBAA
- Solar Power International
- Marketing trip to Maryland / Washington, D. C. to contact Cyber Security / IT Companies

SAEDF will also coordinate activities with the City's CVB to leverage opportunities for meeting with corporate representatives attending conventions in San Antonio and in recruiting conventions

Marketing aimed at industry sectors to which we aspire such as the New Energy Economy (i.e. clean technology and sustainable energy) are included, as well as target marketing to the related R&D and headquartered operations of these sectors. New tactics will be implemented to deliver a broader message by identifying key lifestyle sites, utilizing social media (e.g. SAEDF blog), and creating industry specific testimonials to share with prospects (e.g. create a DVD for green sector in partnership with CPS Energy, the Green Jobs Leadership Council, SAWS, and SAEDF members). Specialized publications and Web sites aimed at the Horizon Sectors and technology professionals will broaden our reach in delivering the San Antonio message.

SAEDF will work with the City to complete the implementation of a GIS Planning and site-selection system.

B. MARKETING GOALS

	Target	Change from 2011 Goals
Marketing trips	28	+4%
International Marketing Trips	2	New for 2011
Press releases	12	+20%
Award submissions*	5	No Change
National pitches**	40	+100%
Trade and local pitches***	85	-29%
Articles ⁺	150	+20%
Online activity ⁺⁺	2.75M	+10%
Total audience ⁺⁺⁺	44M	-15%

* Award submissions are the number of applications submitted for state and / or national award consideration.

** National pitches are the number of national media receiving direct pitches from SAEDF and our PR and advertising agencies.

*** Trade and local pitches are the number of trade and local media outlets receiving direct pitches from SAEDF.

+ Articles are the total number published in which SAEDF provided information, background and / or quotes.

++ Online activity is the number of Web impressions by SAEDF.

+++ Total audience is the total reported circulation / viewers of print, online, TV, and radio outlets for which SAEDF generated media.

Target Goals For SA2020 Sectors

	Target
Marketing trips	4

Note: Target Goals for SA2020 Sector are included in the Goals for the Fiscal Year 2011 – 2012.

IV. RESEARCH

INTRODUCTION

During the first year of the contract SAEDF has carried out a very aggressive research program to build on the information available for economic development purposes. For year two of the contract analytics will continue to be a priority for the SAEDF / City Action Plan. Year two efforts will focus on maintenance of the economic profile and competitive index, specific sector analysis, completion of target industry refinement, and research for individual economic development projects.

A. ECONOMIC PROFILE AND COMPETITIVE INDEX

In year two of the contract the focus will be maintaining the profile and index, and finding additional ways to use these tools for prospect development activities and marketing purposes. This established index will serve as a basis for San Antonio to benchmark its current progress on key indicators against select peer communities. For example, in developing the index, the research team added innovation intervals such as, R&D and commercialization to serve as a benchmark for the City's long term growth strategy.

B. INDUSTRY SPECIFIC RESEARCH

With the completion of SA2020 (the community strategic plan for economic development), SAEDF will have the opportunity to focus on two key sectors (2 of the 4 initially studied) that present the best short-term opportunities for growth and impact on the local economy. The sector specific studies will address the following:

1. International and national trends in the sector
2. Sector growth occupations
3. Primary location factors
4. Degree of compatibility with San Antonio / Bexar County business factors
5. Top national and international industry targets (Top 100 companies in the sector)

In year two of the contract it is also the goal of SAEDF to finalize the GIS / Real Estate / Demographic planning tool and develop an in-house economic model for internal use with prospect activity and for reporting purposes.

V. CORE BUSINESS SECTORS

A. BIOSCIENCE / HEALTHCARE

Year One Contract Milestones:

- San Jose based, InCube Labs opens medical device incubator.
- San Antonio experiences continued growth of military medicine at Fort Sam Houston.
- BD established its first San Antonio operation, and the first of four professional service centers in the world.

Year Two Contract Action Items:

- In conjunction with BioMed SA, identify top Bioscience / Healthcare companies for BRE Program.
- Continue implementing additional marketing aimed at the bioscience sector.
- Attend, along with area partners, the Bio 2012 Conference.
- Provide support to BioMed SA, Startech, Texas Research and Technology Foundation and others involved in the development and identification of capital formation opportunities related to the sector.

B. AEROSPACE

Year One Contract Milestones:

- Completed BRE follow-up program with top aerospace companies.
- Coordinated retention efforts with Port San Antonio staff (Boeing, Standard Aero).
- Aerospace employment remains above 10,000 in the San Antonio area.

Year Two Contract Action Items:

- Develop aerospace specific marketing package along with Port San Antonio and the Greater Chamber's Aviation Council.
- Market San Antonio's aerospace assets at National Business Aviation Aerospace Conference in October 2011.
- Continue working with Boeing and others to maximize the commercial work load at Port San Antonio.

C. FINANCIAL / PROFESSIONAL SERVICES BACK OFFICES

Year One Contract Milestones:

- Recruited PETCO Financial Services Operation (600 high-wage jobs).
- Recruited VMC to Brooks City-Base (600 technical jobs).
- Recruited ATENTO (US Teleservices) Financial Services Operation (400 jobs).

Year Two Contract Action Items:

- Approach existing financial / shared service companies to capitalize on other aspects of their business (i.e. regional headquarters, management professionals, data centers).
- When appropriate, showcase downtown and center city buildings and assets to financial / shared service companies.
- Focus marketing campaign to recruit high wage financial / shared service jobs (White Collar).

D. MANUFACTURING / DISTRIBUTION

Year One Contract Milestones:

- Recruited first Tacoma supplier, VisTec Manufacturing (30 new manufacturing jobs).
- Located two new distribution operations.
- Located three manufacturing operations.
- Ended 2010 with more than 30 active manufacturing prospects.
- Created new manufacturing ad to reach target companies.

Year Two Contract Action Items:

- Initiate a BRE Program for local manufacturers along with San Antonio Manufacturers Association identifying the top twenty manufacturing operations in the San Antonio area (to be completed year two).
- Work closely with Port San Antonio on distribution and logistics opportunities and prospects particularly tied to new markets in China.
- Target national and international companies to establish regional manufacturing operations.
- Attend a national manufacturing trade show.

VII. HORIZON SECTORS

A. NEW ENERGY ECONOMY

Year One Contract Milestones:

- Assisted in the location of Sun Edison and the National Center for Appropriate Technology (NCAT) (45 new jobs in new energy economy).
- Developed Green Jobs / Sustainable Energy brochure.
- Attended National Solar and Wind trade shows.
- Developed Green Jobs Sustainable Energy ad.

Year Two Contract Action Items:

- Target new energy economy companies tied to CPS Purchase Power agreements.
- Promote R&D assets of Texas Sustainable Energy Research Institute, established by the Mayor's Office, City and CPS Energy in partnership with UTSA to help lead regional initiatives for energy innovation and industry growth.

- Participate with network of stakeholders committed to a renewable energy cluster in San Antonio.
- Expand marketing efforts branding San Antonio as a solar smart city.
- Increase recruiting of renewable energy companies to San Antonio.

B. INFORMATION SECURITY / IT

Year One Contract Milestones:

- Developed the Cyber security / IT brochure in partnership with the City.
- Updated the lines of defense ad targeting cybersecurity (multiple placements during the year).
- Conducted marketing trip to the Washington, D.C. / Fort Mead area calling on cybersecurity firms.
- Located one new data center project.

Year Two Contract Action Items:

- Complete BRE Program targeted at cybersecurity / IT firms in partnership with the North Chamber.
- Identify new prospects related to the 24th Air Force and the Texas Cryptologic Center.
- Collaborate with the Air Force, Chambers of Commerce, and Office of Military Affairs to attract additional high paying jobs related to cybersecurity.
- Support local industry, Alamo Colleges, and UTSA to establish a degree / training program to build on employee pipeline of qualified local San Antonio residents.

C. INTERNATIONAL BUSINESS

Year One Contract Milestones:

- Located one company based in Spain, ATENTO (US Teleservices) in the Financial Services area (400 new jobs).
- Hosted numerous international site visits including Society of Industrial and Office Realtors, (SIOR) in conjunction with the City's International and Economic Development Department.
- Conducted marketing trip to Europe with the Governor's Office and TexasOne.

Year Two Contract Action Items:

- Partner with Free Trade Alliance and the City of San Antonio's International Economic Development staff for international marketing and prospect development.
- Partner with La Asociación de Empresarios Mexicanos to facilitate inbound Mexican business establishments and investments.
- Conduct two international recruiting trips (1 trip to China in conjunction with the City) including coordination with:
 - Governor's Office International Trade Missions
 - Local partners, City and County's Trade Missions.
- Leverage local industries for international opportunities.
- Leverage stronger relationships with China to augment prospect pipeline.

VIII. TARGET AREAS AND REGIONAL ECONOMIC DEVELOPMENT

A. TARGET AREAS OF DEVELOPMENT FOR THE CITY AND COUNTY

Year One Contract Milestones:

- Located one company in the downtown San Antonio area (NCAT).
- Located two companies in the ICRIP (one at Brooks City Base and one at Southwest Technology Park).
- Expanded one manufacturer / R&D operation on the East Side (30 new jobs).

Year Two Contract Action Items:

- Conduct a location consultant's event to focus on downtown and the ICRIP.
- Maintain momentum from new incentives geared to target areas communicating the City's intent to tailor additional incentives for these areas.
- Address product improvement issues with the City to assist target areas in qualifying for site selection criteria, such as parking ratios and accessibility.
- Build synergies around existing assets within city target areas.
- Expand marketing efforts to site selectors and consultants.
- Identify local companies in target areas that may have future expansion plans.
- Work in coordination with Center City Development Office (CCDO) and Centro Partnership in developing strategies.

B. REGIONAL ECONOMIC DEVELOPMENT

Year One Contract Milestones:

- Located data center in Schertz (10 jobs - \$35,000,000 investment).
- Located distribution facility in Comal County (80 jobs in the auto related sector).
- Continued to work with the CPS Energy suburban cities.

Year Two Contract Action Items:

- Participate in discussions on regional strategic plan for economic development.
- Identify regional sites for large job generating projects.
- Meet with regional cities and counties to identify assets and their targeted industries to explore potential areas of cooperation and benefit.
- Develop a strategy for regional communities to participate with SAEDF for mutual benefit; to build regional competitiveness by further integrating economic development messages and resources.

C. SAEDF / CITY CONTRACT BUDGET (FISCAL YEAR 2011-2012)

Income

City Contract	\$500,000	
Total Income		\$500,000

Operating Expenses

Staff Expenses		\$181,000
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Salaries (2 FTEs)	\$140,000
Taxes (FICA, Medicare, FUTA, SUI)	\$13,000
Benefits (Insurance, 401K)	\$28,000

Prospect and Marketing Expenses		\$278,000
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Advertising	\$125,000
Public Relations	\$60,000
Electronic Tools (Web site)	\$4,000
Brochures COMP & Exec. Summary, etc.)	\$6,000
Consulting(Annual wage study&other studies)	\$40,000
Computer expense / Xceligent / GIS	\$10,000
Prospect expenses	\$14,000
Travel	\$10,000

Administrative Expenses		\$41,000
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Auto	\$2,000
Trade Association Dues (TexasOne)	\$11,000
Audit / Accounting	\$5,000
Contract Accounting	\$2,000
Rent & Services	\$13,000
Telephone	\$4,000
Postage / Delivery	\$1,000
Supplies	\$2,000
Copying / Printing	\$3,000
Publications / Subscriptions	\$1,000
Insurance	\$5,000
Miscellaneous Overhead	\$1,000

Total Operating Expenses		\$500,000
Net Cash		\$0

CONTRACT GOALS

FISCAL YEAR 2011-2012

Goals

Targeted Opportunities	Annual Contract Goal	Change From 2011 Goals
New qualified prospects	103	+10%
Locations / expansions	20	+25%
New jobs created	3,300	+10%
Payroll	\$90M	-26%
High-wage jobs	920	+7%
Annual visits	60	-52%
Marketing trips (2 Internat'l)	30	+10%
Press releases	12	+20%
Award submissions	5	No change
National pitches	40	+100%
Trade and local pitches	85	-29%
Articles	150	+20%
Online activity	2.75M	+10%
Total audience	44M	-15%

TARGET GOALS FOR

SA2020 SECTORS

FISCAL YEAR 2011-2012

Targeted Opportunities	Annual Contract Goal
New qualified prospects	12
Locations / expansions	2
New jobs created	330
Annual visits/BRE Program	12
Marketing trips	4

Note: Target Goals for SA2020 Sector are included in the Goals for the Fiscal Year 2011 – 2012.