



**CITY OF SAN ANTONIO  
2011 STATE LEGISLATIVE PROGRAM  
82<sup>ND</sup> LEGISLATURE**

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Adopted on October 14, 2010  
Amended as of February 3, 2011

# **Executive Summary**

The 82<sup>nd</sup> Legislature is set to begin January 11, 2011. In addition to being faced with an estimated \$18 to \$20 billion in revenue shortfall and sunset review of over 28 agencies, the Legislature will consider issues that could pose a significant threat to municipal authority. As such, the City's legislative efforts will be focused on the defense and protection of City interests. In collaboration with our state legislative consultant, City departments and contributions from the Executive Leadership Team, the Intergovernmental Relations Department presented a draft of the Proposed State Legislative Program to the Intergovernmental Relations Council Committee on August 11, September 8 and October 6, 2010 and to City Council in a B Session briefing on September 29, 2010. The State Legislative Program was adopted by City Council on October 14, 2010.

The program is organized into sections entitled: COSA Initiatives, Protection of Municipal Interests, Joint Community Initiatives and Endorsements.

## **COSA Initiatives**

A legislative initiative is San Antonio specific or addresses an issue where San Antonio is disproportionately affected. These will be actively supported through the drafting of legislation, finding a bill sponsor, filing, providing testimony and active pursuit of the bill's passage. Also included within this document are items designated Priority Initiatives. A Priority Initiative is identified as an issue which will save the City money, has significant city-wide impact and/or promotes or protects economic development opportunities.

## **Protection of Municipal Interests**

This section addresses issues which will impact municipal authority. There have been many attempts over the past several sessions to erode the authority of home-rule cities. The City of San Antonio will oppose such efforts and support legislation that recognizes and maintains municipal home-rule authority.

## **Joint Community Initiatives**

The Joint Community Initiatives are priorities shared by the City and community stakeholders. The City will work in partnership with community stakeholders to support legislative efforts that are priorities of the community.

## **Endorsements**

An Endorsement is an issue in which the City will not be the primary advocate. Instead, the City will collaborate with other interested parties and communicate its support, especially those issues having a direct impact on or benefit to the City.

As additional legislative issues of interest to the City arise during the session, such legislation will be reviewed by IGR Council Committee and recommendations will be submitted to the full Council for consideration and action.

## **Dates of Interest**

November 8, 2010	Prefiling of legislation for the 82 <sup>nd</sup> Legislature begins.
January 11, 2011	82 <sup>nd</sup> Legislature convenes at noon in Austin, Texas.
March 12, 2011	Deadline for filing bills and joint resolutions.
May 30, 2011	Last day of the 82 <sup>nd</sup> Regular Legislative Session.
June 19, 2011	Last day the Governor can sign or veto bills passed during regular session.
August 29, 2011	Date bills, without specific effective dates, become law.

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## **SECTION I: INITIATIVES**

### **Graffiti\***

#### **PROPOSAL**

Propose amendments to the Local Government Code to add provisions which would:

- Eliminate the requirement for cities to offer to abate graffiti prior to requiring a property owner to do so;
- Enhance/increase penalties associated with graffiti offenses.

#### **BACKGROUND**

Graffiti continues to be a problem facing cities statewide. Legislation passed during the 81<sup>st</sup> Legislative Session puts the burden on the City instead of the property owner by requiring the City to offer to abate graffiti prior to requiring the property owner to do so.

#### **IMPACT**

If amendment is not passed, current graffiti operations would be negatively impacted due to added workload necessary to conduct abatement activities for those property owners which are currently excluded from this House Bill. Administrative duties and reporting requirements would add to the current workload of administrative staff.

***\*Indicates Priority***

## Texas Municipal Retirement System (TMRS)\*

### PROPOSAL

Initiate legislation that:

- Provides for an additional option to Cities to elect Cost of Living Adjustments for retirees which are not subject to current retroactivity provisions;
- Provides the City of San Antonio the ability to grant additional payments (e.g., 13<sup>th</sup> check) to retirees.

### BACKGROUND

The City provides pension benefits for its full-time civilian employees through TMRS. TMRS is a statewide agent multiple-employer public employee retirement system created by state law in 1948. The plan is described as a nontraditional, joint contributory, hybrid defined benefit plan.

In December 2007, TMRS adopted revised actuarial assumptions and a change in actuarial funding method from "Unit Credit" to "Projected Unit Credit" to provide for the advance funding of certain benefits which are adopted on an annually repeating basis. These changes had a significant impact on the Plan's Unfunded Actuarial Accrued Liability (UAAL) and funded position as well as the City's contribution requirements. As of December 31, 2006, the City's Plan had a UAAL of \$178.5 million with a funded ratio of 72.2%. After adoption of these changes, the City's Plan had a UAAL of \$317.7 million with a funded ratio of 60.1% as of December 31, 2007.

Under TMRS provisions, San Antonio has adopted a 2 to 1 plan provision with employees contributing 6% of covered payroll and the City provide double matching credits or 12% of covered payroll. However, with the actuarial changes, the City's contribution rate was projected to increase from 12.5% to 16.7% (approximately \$10.0 million annually). Due to the significant increase in contribution requirements, TMRS allowed cities to adopt an eight year phase-in of required contributions, which San Antonio selected for 2009. Under the phase-in provisions, San Antonio's contribution rate increased from FY 2008 to 2009 from 12.5% to 13.07% and was ultimately projected to be in excess of 18% after phase-in, a contribution rate of triple the employee contributions.

In an effort to mitigate future contribution increases, the City adopted a plan change for 2010 removing the annually repeating Cost of Living Adjustment (COLA) feature. This change does not prevent adoption of either ad hoc or annually repeating COLA's in the future. This plan change reduced the City's contribution rate in 2010 to 12.25%. Additionally, because of the change, the December 2009 report reflects a UAAL of \$188.0 million and a funded ratio of 73.3%. In conjunction with this change, the City held retiree health care premiums flat to help minimize impact to the individuals.

Due to the significant increase in required contributions and the change in the funded status of City's plan under TMRS, the City has been analyzing and evaluating a variety of options. Based on this analysis, San Antonio is proposing to initiate legislation which would: 1) allow cities to

*\*Indicates priority*

provide cost of living adjustments which would not be subject to current provisions requiring retroactive application of changes and 2) provide cities the ability to grant additional payments (e.g. 13<sup>th</sup> check) where funding is available. This proposed legislation will provide additional flexibility and options for addressing the significant challenges associated with the current TMRS plan.

The TMRS Board may develop its own legislative proposals. The City will evaluate each proposal and make recommendations to support, not support, or remain neutral on any TMRS legislative proposals.

**IMPACT**

The City's Full Rate Contribution for 2011 is 12.42% as calculated by TMRS. Because the City removed the annually repeating COLA option, the phase-in rate is no longer applicable to the City. Should the feature be reinstated, the full rate of 17.93% would apply increasing the City's contribution by approximately \$14.5 million.

## Meet and Confer for Civilian Employees

### PROPOSAL

Support legislation that protects the City's and its employees' interests and which will:

- Create a "meet and confer" process, for municipal employees of the City of San Antonio;
- Recognize the City of San Antonio's form of government;
- Preserve the integrity of the City Charter;
- Provide flexibility to allow the meet and confer process to be crafted in accordance with local needs and concerns.

### BACKGROUND

Currently, there is no "meet and confer" process for non-peace officer civilian employees of the City of San Antonio. Furthermore, Texas Government Code, Chapter 617 entitled "Collective Bargaining and Strikes" prohibits a municipality and an employee association from entering into a written contract regarding terms and conditions of employment. However, San Antonio has adopted an employee-management consultation process by ordinance, whereby employees and management may meet to discuss various employment issues. In previous legislative sessions, City staff met with representatives of SEIU and agreed to bill which contained specific language which protected the City's and its employees' interests. City staff recommends adoption of the previously agreed upon bill.

### IMPACT

A Meet and Confer process will require additional staffing by Human Resources and the City Attorney's Office, and if an agreement is reached and ratified, the terms of the agreement would require additional funds be budgeted during the term of the agreement.

## Public Information Act Amendments

### PROPOSAL

Amend the Public Information Act to:

- Allow governmental bodies to recoup costs of responding to “inspection-only” requests for emails that require a significant amount of public employee time and resources;
- Allow for tolling of the ten (10) day period to seek Attorney General Request for Ruling while the Requestor responds to cost estimate.

### BACKGROUND

#### **Amendment Proposed to Allow Governmental Bodies to Recoup at Least Some Cost for Production of Email Records for Inspection Only**

The Public Information Act has been a successful law in providing the public access to government records, and in promoting transparency and public confidence in government. The law is broad and is liberally construed in favor of requestors seeking information. For the most part, the City of San Antonio and other governmental entities have developed procedures to receive and process these requests within the deadlines imposed by the Act.

Many requests are simple and can be responded to with relatively little expenditure of government resources. Some requests, however, require substantial time to complete. Requests for entire email accounts or requests for emails on broad topics that reach many employees in multiple departments can be burdensome and require many employee hours to print and assemble.

Currently, the Public Information Act allows governmental entities to charge requestors for copy costs and employee time to make copies of email records. However, if a requestor asks to view or inspect these same records, the government cannot charge for the printing costs or personnel time, even though preparing copies for release rather than inspection would require the same time and resources.

The City of San Antonio proposes to amend the Public Information Act to allow governmental bodies to charge for employee time needed to compile email records for “inspection-only” requests. These amendments would still allow requestors to seek any email records they wish, but allow the government to impose costs which reflect the time required for their production.

#### **Amendment Proposed to Re-Set or Toll the Deadline to Submit a Request for Ruling until the Requestor has Responded to the Cost Estimate**

When a request is anticipated to cost more than \$40, the government is required to provide the requestor with a written estimate of costs. The requestor has 10 business days to accept the estimated cost, narrow his or her request to reduce the cost, or abandon the request by failing to respond.

Meanwhile, if the government wishes to seek authority from the Attorney General to withhold any of the requested records, it must submit a request for ruling arguing the exceptions to

disclosure, and providing copies of all the records at issue. The request for ruling must be submitted no later than 10<sup>th</sup> business day after the request is made. If the deadline is missed, the exceptions are waived and the information must be released unless there is a federal or state law that mandates confidentiality of the records.

For large requests, the interplay of the cost estimate process and the deadline to submit a request for ruling can compel the government to conduct a search for records before the time to respond to the cost estimate has expired. While the government is working to meet the 10-day deadline to submit a request for ruling, the requestor may choose to narrow the request or abandon the request entirely by failing to respond. In these instances, the government may expend resources to locate and copy information that is ultimately not sought by the requestor.

The proposed amendment would toll the deadline to submit a request for ruling until the time for the cost estimate process has elapsed. This would allow the government to know the final scope of a request before staff begins compiling records for release to the requestor or review by the Attorney General.

### **IMPACT**

The City of San Antonio does not seek to impair requestors' access to information but rather seeks adjustments in the Public Information Act to ensure greater efficiency in responding to open records requests by:

- allowing the government to recoup the cost of employee time for preparing copies of emails for "inspection-only" requests, and
- tolling the request-for-ruling deadline during the cost estimate process so the government may know the final scope of a request before staff begins compiling records.

## Extension of the Diabetes Mellitus Pilot Program

### PROPOSAL

Propose legislation that will extend House Bill 1363 for the Diabetes (A1C) Registry Pilot Project in order to continue tracking the prevalence, control efforts and health costs associated with Diabetes Mellitus and eliminate barriers in patient consent for inclusion in registry.

### BACKGROUND

The Centers for Disease Control and Prevention (CDC) estimates that 7.8% of the US adult population has been diagnosed with Type 2 diabetes. In Bexar County, this rate is estimated to be closer to twice the national average with an estimated 14% of adults in San Antonio living with diabetes. Individuals with diabetes have significantly increased risk of complications secondary to diabetes, including cardiovascular disease, lower extremity amputations, end-stage renal disease, and premature death.

Chronic disease registries allow public health officials to monitor disease trends over time, reveal geographic and population patterns, and serve as a guide the public health priority-setting and policy-making process.

In early 2007, the San Antonio City Council authorized Metro Health to seek State legislation to make diabetes mellitus a reportable disease. A reportable disease is a notifiable condition that is required by law to be reported by a physician, dentist, veterinarian, or chiropractor to the health authority under the Texas Health & Safety Code. The Texas Diabetes Council recommended an initial pilot project in Bexar County to serve as a potential model for future statewide application. On June 15, 2007, HB 2132, co-authored by State Representative Joe Straus, and State Senator Leticia Van de Putte, authorized the development and implementation of a pilot program to collect and study the hemoglobin A1C test results from Bexar County labs and the creation and maintenance of an electronic diabetes mellitus registry.

During the 81<sup>st</sup> legislative session HB 1363, co-authored by State Representative Roland Gutierrez and State Senator Leticia Van de Putte, extended authorization for the pilot program in Bexar County through September 1, 2011. In addition, this bill included both the authorized collection of patient diagnostic data and an opt-out provision for patients. However interpretation of the opt-out provision as a general consent by legal representatives from the Texas Department of State Health services have effectively restricted the collection of electronic data for the registry.

Introduction of a bill to extend the pilot program authorization (or make it permanent statewide), eliminate barriers in patient consent for inclusion in the registry, and maintain diagnostic code reporting would support the continued successful implementation of the Metro Health Diabetes Registry. If adopted, this bill would enhance the capacity of the local health care provider and the public health community to make evidence-based decisions regarding the reduction of risk factors that are associated with poor outcomes among individuals living with diabetes.

### IMPACT

The San Antonio City Council approved \$200,000 to begin the Diabetes (A1C) Registry in FY 2008 and \$190,000 in FY 2009. This response was voluntary as the State of Texas did not

appropriate funding for the initial pilot project. Since that time, support for the Diabetes Registry has been incorporated as part of the Metro Health Budget.

The long term benefit is a reduction in the number of people afflicted with diabetes and its complications, such as end-stage renal disease, amputations, blindness and other conditions through recommended interventions for outreach and public health education.

## Historic Document Preservation Fee

### **PROPOSAL**

Allow for the implementation of a Records Management and Preservation Fee and a Records Archive Fee for cities with a population of one million or more.

### **BACKGROUND**

Under current state law, counties in the State of Texas have the authority to charge a Records Management and Preservation Fee. Section 118.0216 of the Local Government Code provides for the fee to be used specifically for records management and preservation, including for automation purposes. The Office of the City Clerk is recommending adoption of a \$5.00 records management fee for all city records.

### **IMPACT**

There would not be an adverse impact on the City of San Antonio. This proposal would be an enhancement for the City of San Antonio in that revenue generated by this fee would enable the Office of the City Clerk to preserve, archive and maintain official city records.

## San Antonio Fire Department Recruitment

### PROPOSAL

To allow for testing instruments, in addition to the written cognitive examination, to be used to establish an eligibility list for the beginning position to a Fire and Police Department.

### BACKGROUND

In July of 2010, the San Antonio Fire Department (SAFD) formed a Diversity Workgroup that was comprised of representatives from the City Manager's Office, the Human Resources Department, the United Black Firefighters Association, the SAFD Recruiting Office, the SAFD Applicant Processing Office and SAFD line personnel. The purpose of the Diversity Workgroup was to discuss the overall recruiting and hiring process, recent demographic trends, statutory constraints, and to develop an action plan for increasing diversity within the SAFD.

The Diversity Workgroup primarily focused on the three major components of the hiring process: the Local Civil Service Rules; the Texas Local Government Code, Chapter 143; and finally, the recruiting process. Due to time constraints, the Workgroup began with the Local Civil Service Rules, and after much discussion, took forward a recommendation to the Local Rules that included modifications to the drug, driving, education and criminal activity rules. In September of 2010, these changes were approved by the Firefighters' and Police Officers' Civil Service Commission.

The Diversity Workgroup next focused on potential modifications to the Texas Local Government Code, Chapter 143. Their goal was to prepare recommendations that could be included in the City of San Antonio's 2011 Legislative Package.

### PROPOSED LEGISLATIVE CHANGES:

The Diversity Workgroup has determined that the following modifications to the Texas Local Government Code, Chapter 143, could have a positive impact on diversity in the hiring process.

Proposal: To allow for testing instruments, in addition to the written cognitive examination, to be used to establish an eligibility list for the beginning position to a Fire and Police Department.

Currently the City of San Antonio uses a written, cognitive examination to establish an eligibility list for the position of Fire Trainee. It is widely accepted in the field of Industrial psychology that written cognitive examinations, regardless of the level of validation, have a disparate impact on minority applicants. It has been recommended by at least two consultants retained by the City of San Antonio Human Resources Department that other testing mechanisms, such as personality assessment devices and leadership skills analysis be used in addition to the written exam. By utilizing multiple testing devices in the establishment of an eligibility list for a beginning position in the Fire Department, the City will create a testing environment that should increase overall diversity.

In order to ensure that this initiative has limited impact on other municipalities, the Department recommends that the change apply only to cities with a population of 1.2 million to 1.5 million.

## Land Bank Amendments

### PROPOSAL

Amend Local Government Code for the purpose of establishing a Land Bank Program for the City of San Antonio.

### BACKGROUND

Chapter 374 of the Texas Local Government Code is entitled “Urban Renewal in Municipalities”, and this statute identified the need to address slum and blighted areas that exist in municipalities in Texas. On September 1, 2007, the Texas State Legislature created Chapter 379E, entitled the “Urban Land Bank Program” as an amendment to Title 12 (“Planning and Development”) of the Texas Local Government Code. Chapter 379 addresses the development of land banks in certain municipalities.

The City Council of the City of San Antonio approved Ordinance 2010-02-04-0084 on February 4, 2010, which established the Inner City Reinvestment / Infill Policy; this policy outlined a goal to establish a “Land Bank” for the City of San Antonio. The creation of the Land Bank would allow for the identification, acquisition, management, and disposition of real property.

For the San Antonio Land Bank to function as planned by the City leaders, amendments to the existing Land Bank Program Law (under Chapter 379E of the Local Government Code) are needed to:

- Allow the land bank to acquire all available properties including those with existing structures;
- Expand the disposition use of acquired properties to both affordable housing as well as commercial uses;
- Reduce the time required to begin foreclosure proceedings from 5 years to 2 years;
- Allow other governmental entities the ability to convey non-foreclosed property it owns directly to the land bank without having to provide any type of prior public notification;
- Allow the land bank to extinguish specific tax and non-tax liens pursuant to agreements with other affected entities;
- Allow the land bank to recover a percentage of the “after disposition” property tax revenues pursuant to agreements with other taxing entities; and,
- Grant a municipality the ability to appoint the local Urban Renewal Agency to serve as the land bank and perform the functions as described in both statutes (as noted in both Chapters 374 and 379E).

### IMPACT

The collective result of these revisions will allow the City of San Antonio to efficiently acquire unproductive or underutilized properties in targeted areas and convert them into productive properties in an ongoing effort to create safe, healthy and sustainable commercial and residential neighborhoods.

## **SECTION II: PROTECTION OF MUNICIPAL INTERESTS**

### **Property Tax Appraisals and Revenue Caps\***

#### **PROPOSAL**

Monitor legislation regarding municipal taxation and revenue to determine impact on the City's ability, as a home-rule city, to raise the revenues necessary in order to provide services that protect the health, safety and welfare of the citizens of San Antonio.

#### **BACKGROUND**

Under the Texas Constitution (Article 8), property taxation must be equal and uniform, and must be administered locally. Section 23.23 of the Property Tax Code currently limits the maximum annual percentage increase in the appraised value of a residence homestead for ad valorem tax purposes to the lesser of the market value of the property or the sum of ten percent (10%) of the appraised value of the property in the last year it was appraised times the number of years since it was last appraised. One of the options considered during the special sessions on school finance reform in 2006 was the possibility of limiting residential property appraisals to an increase of no more than 3-5% per year. A number of bills were filed during the 81<sup>st</sup> Legislative Session attempting to impose such restrictions. The City expects the legislature to address property appraisals during the 82<sup>nd</sup> Legislative Session.

Recent legislation regarding revenue caps would limit the amount of revenue cities may raise from property taxes to the amount raised the previous year plus an inflation and population growth factor based on CPI. However, revenue caps ignore the real cost of city services, because municipal inflation frequently exceeds consumer inflation. Cities have no control over the cost of gas for vehicles, healthcare for employees, or homeland security mandates and other unfunded mandates.

#### **IMPACT**

Any reduction in the current ten percent maximum annual increase in the appraised value of a residence homestead may challenge the City's ability to provide the current level of basic services in future years. Likewise, limiting the amount of revenue that may be raised from property taxes year to year may have a negative impact. Since the state gives virtually no aid to Texas cities, revenue caps are problematic for cities.

***\*Indicates Priority***

## Unfunded Mandates\*

### PROPOSAL

Oppose legislation that would result in additional unfunded mandates.

### BACKGROUND

Unfunded mandates are financial burdens placed upon local governments by State actions, often resulting in increased property taxes at the local level. Such State actions include:

- Directives to cities without providing the necessary funding to carry out the directives;
- Withdrawal of or cuts in state funding to carry out existing directives; and
- Changes in state operations that inadvertently result in city expenses and inefficiencies.

### IMPACT

Unfunded mandates impose costs on Texas cities and their taxpayers exceeding millions of dollars statewide and have resulted in significant financial burden for many cities, forcing them to sacrifice their own programs and priorities in order to comply with standards set by the State.

*\*Indicates Priority*

## Public Utilities

### PROPOSAL

Oppose legislation that adversely impacts SAWS and CPS Energy, including any bills that would negatively impact the city's local control of its municipally-owned utilities.

Priorities include: maintaining the basic SB 7 framework that currently governs the electric utility industry, maintaining local control for municipally-owned utilities, preserving the Competitive Matters Resolution that is applicable to municipally-owned utilities as set forth in SB 7, participating in the Sunset Advisory Commission's agency review process of the Public Utility Commission (PUC), the Electric Reliability Council of Texas (ERCOT), the Railroad Commission (RRC) and the Texas Commission on Environmental Quality (TCEQ).

### BACKGROUND

In 1999 (76<sup>th</sup> Session), the Texas Legislature passed Senate Bill 7, which provided the framework for restructuring the retail electric utility industry in Texas. SB 7 provides municipally-owned utilities the ability to choose when to opt-in to the competitive market. This decision is vital for municipally-owned utilities within the state. The legislation also includes various protections to maintain the financial integrity of municipally-owned utilities, and provides appropriate customer protections for the citizens of San Antonio.

As units of local government, municipally-owned utilities are subject to the Public Information Act. This Act has several broad categories of exceptions whereby cities and state agencies are not required to disclose certain information, such as matters under litigation, real estate, and personnel matters. SB 7 added a specific exception in the Public Information Act for municipally-owned utilities, allowing such utilities to protect competitive matters - items that if disclosed could harm municipally-owned utilities in the competitive wholesale market (and prospectively in the retail market). This exemption has built in oversight by local governing bodies and the Texas Attorney General. The Competitive Matters Resolution identifies the types of information that CPS Energy considers competitive and therefore not provided to the public. Examples include fuel and wholesale power contracts, generating plant maintenance schedules, customer information, and market research. The CPS Energy Board of Trustees adopted the utility's initial competitive matters resolution in August 1999.

The 2010-2011 Sunset Advisory Commission review cycle includes the review of the major energy and environmental agencies in the state. CPS Energy, in conjunction with its trade associations, has worked with Sunset Advisory staff on its recommendations to the Public Utility Commission (PUC) and the Electric Reliability Council of Texas (ERCOT), as well as the Texas Railroad Commission (RRC) and the Texas Commission on Environmental Quality (TCEQ). CPS Energy and its trade associations will continue to be engaged in this process to protect CPS Energy and its customers from unfavorable regulatory or policy-related changes.

### IMPACT

Significant changes to SB 7, specifically Chapter 40 affecting municipally owned utilities, could result in a loss of municipal control over rates, terms, revenues and policies, and consequently have an adverse impact on municipal finances, and CPS Energy and SAWS customers.

## Eminent Domain

### **PROPOSAL**

Oppose legislation which limits municipal authority to acquire property for public purpose through the process of eminent domain, and oppose any further erosion of such powers.

### **BACKGROUND**

Cities and other governmental entities must acquire property for a variety of public purposes. If a city is unable to negotiate with a property owner for property acquisition, the city may condemn the property through the process of eminent domain. The city must follow legal procedures, make a determination of public necessity, and it must engage in good faith negotiations with the property owner to acquire the property. If negotiations fail, the city must file a petition for condemnation in court, and the court appoints three special commissioners who hold a hearing where both sides present evidence as to the compensation to be paid. The commissioners must determine the market value of the property at the time of the hearing. If either party is dissatisfied with the property value, then the decision may be appealed and a new trial is conducted.

In some cases, cities need to use eminent domain in order to improve blighted areas. Improving such areas is in the public's best interest and many times deteriorating buildings pose public safety problems.

### **IMPACT**

The negative fiscal impact to units of local government related to changes vary depending on the number of situations in which the entity seeks to exercise its eminent domain authority, costs associated with and imposed by court proceedings, and the number of parcels of land involved in initial condemnation or in repurchase by the previous owner or their heirs.

## Municipal Right-of-Way Use Fees\*

### PROPOSAL

Oppose legislation limiting the City's authority to charge and collect use and franchise fee payments for use of the public Right of Way (ROW).

### BACKGROUND

In 1999, the Texas Legislature passed Chapter 283 of the Local Government Code which altered the way in which cities receive compensation for the use of local rights-of-way (ROW) by telephone companies. The change in the law eliminated the authority of cities to issue municipal franchise agreements under which cities received compensation based on a percentage of gross revenue. Chapter 283 introduced a new compensation methodology based on "access line" counts. The legislation gave the Texas Public Utility Commission (PUC) the authority to define the term "access line" and set access line rates for every city in the state with the purpose of making cities whole based on pre-1999 franchise revenues. The PUC was also authorized to review the definition of "access line" every three years. In every review since the PUC issued its regulations, the question has been raised as to whether Voice over Internet Protocol (VoIP) telephone service should be included in the definition of "access line." In 2005, the Texas Legislature amended Chapter 283 by altering the definition of "voice service" to include "Internet protocol technology," and expanded the scope of providers beyond certificated telecommunications providers to include any "person that provides voice service."

In 2009, the PUC initiated a proceeding to review the definition of "access line." The PUC Staff recently recommended incorporated VoIP service into the definition, but the proposal was blocked by Commissioner Nelson who persuaded her fellow commissioners to drop the staff recommendation all together and start from starch with a new focus on limiting the amount of compensation cities are entitled to receive for the use of ROW. The industry has historically mischaracterized access line fees as "taxes" and argued for a compensation methodology based on the cost of maintaining the ROW – administrative cost for managing carriers' use and damage to the ROW. Such a methodology would short-change cities based on Texas Supreme Court precedent finding that compensation for use of public ROW is in the form of *rental fees*. This legal conclusion is based on the anti-gift provisions of the Texas Constitution.

The PUC does not have the legal authority to limit the amount of compensation cities receive from telephone carriers in access line fees, but it can make legislative recommendations to limit compensation. In previous legislative sessions, the House Regulated Industries Committee has been receptive to the argument that access line fees are a form of "tax" that should be reduced or altered. Commissioner Nelson has publicly characterized access line fees as a "tax" and favors a reduction in the amount of compensation cities receive under the current methodology.

### IMPACT

The PUC is likely to propose to the Texas Legislature that municipal right-of-way compensation be based on the cost of maintenance methodology. Such action could result in rental fees at a fraction of the fair market value method that has prevailed in Texas for over 100 years.

***\*Indicates Priority***

## **SECTION III: JOINT COMMUNITY INITIATIVES**

### **Transportation\***

#### **PROPOSAL**

Support joint policy initiatives in coordination with transportation stakeholders such as Bexar County, VIA, Port San Antonio, Metropolitan Planning Organization (MPO), San Antonio Mobility Coalition (SAMCo.), Alamo Regional Mobility Authority (Alamo RMA), Chambers of Commerce on major transportation priorities for the San Antonio community.

#### **BACKGROUND**

Mayor Castro and County Judge Wolff have organized a series of meetings with local community partners interested in transportation and have established community wide priorities for the upcoming legislative session. These priorities have or will be adopted by the governing bodies of each organization in preparation for the upcoming legislative session. The priorities are as follows:

#### **PROPOSAL**

**A. State Funding for Transportation** – Support the following revenue enhancement options to provide adequate and sustained funding for maintenance and expansion of our state's highway, transit, and rail infrastructure:

- Phase out Fund 6 (motor fuels tax) legislative diversions
- Increase and/or index the motor fuels tax
- Increase and/or index the vehicle registration fee
- Expand the sales tax base to gasoline sales
- Additional bonding (Proposition 12, 14, etc.)
- Expand/protect Texas Mobility Fund
- Transportation reinvestment zones
- Appropriate share of any additional revenue authorized by the Legislature
- Constitutional amendment to allow voters to decide whether to index gas tax

**B. Local Option Mobility Fee** – Support enabling legislation authorizing counties to implement a local option mobility fee or registration fee to generate new funding for transportation projects. A local referendum would be required to apply the local option fee based upon a specific implementation plan detailing projects, costs, and schedule. The additional revenue would be spent locally on projects benefitting the community and region.

**C. Transit Initiatives** - Support legislation to allow VIA to bond against future sales tax revenue in order to accelerate delivery of new projects. Also support legislation that will allow VIA to enhance service delivery and allow for the development of new transit initiatives. VIA will also seek to amend existing telecommunications fee legislation to allow VIA to pursue this revenue as an additional revenue source.

**D. Freight Rail, Regional Passenger Rail, and Rail Relocation** – Encourage the Legislature and TxDOT to work together to identify an appropriate long-term revenue source to fund the Texas Rail Relocation & Improvement Fund. Rail infrastructure is a key component of the State's transportation system and voters approved creation of the Rail Relocation & Improvement Fund in November 2005.

**E. Regional Mobility Authorities** – Support extension of design-build CDA authority for regional mobility authorities (RMAs). Similar authority for HCTRA and NTTA does not expire, potentially placing the Alamo RMA at a disadvantage to its DFW and Houston counterparts. Support primacy for local public sector agencies such as regional mobility authorities seeking the right of first refusal for development of any toll projects within their region. This action ensures decisions are made at the local level and revenue is retained for the region.

**IMPACT**

With the tremendous growth in the San Antonio region, it is critically important to our region to enhance revenue options to allow for adequate maintenance and expansion of our infrastructure to meet the community's transportation needs.

*\*Indicates priority*

## **SECTION IV: ENDORSEMENTS**

### **Preservation of Military Missions**

#### **A. AMENDMENTS TO MILITARY INSTALLATION ACT**

##### **PROPOSAL**

Propose amendments to Local Government Code, Chapter 397A, which allows for the creation of a Regional Military Sustainability Commission and recommends to participating governmental entities approval or denial of development in a certain area around a military installation.

##### **BACKGROUND**

In 2009, the 81<sup>st</sup> Legislature passed HB 2919 relating to the regulation of land use and the creation of Regional Military Sustainability Commissions to ensure compatible development within military installations in certain area. This legislation requires amendments to make it equitable. The suggested amendments include:

Revision of Local Government Code, Chapter 397A, Regional Military Sustainability Commissions Relating to Certain Military Installations (HB 2919):

1. Amend Section 397A.051 (Applicability):
  - Expand to include properties (i.e. private property) that currently do not fall under the Regional Military Sustainability Commissions jurisdiction due to expanded vesting provisions written into the law.
2. Amend Section 397A.052 (Creation of a Regional Military Sustainability Commission) to:
  - Clarify the language as to who has authority to create, participate in and come into the jurisdiction of the Commission. As currently written, applicable Kendall County properties are left out of the RMSC. Although it is within the Commission's geographical limits (the City's extraterritorial jurisdiction or ETJ), inequity occurs for Comal County and Bexar County property owners who are within the ETJ and do fall under the Commission's jurisdiction.
  - Recommend the use of the Department of Defense (DoD) sponsored JLUS Military Influence Overlay District or Military Influence Area as the boundary for the Commission's territory. Currently, the stated jurisdiction or territory of the Commission using the ETJ boundaries that are within three miles of the installation divides neighboring property owners creating inequity in which properties fall under the Commission's territory and compatible development standards.
  - Remove the limitation that only one RMSC may be established per county. In San Antonio, there are other military installations for which the RMSC may be appropriate and necessary.
3. Amend Section 397A .055 (Commission Review of New Projects)
  - An Advisory Committee consists of three landowners and three representatives of the military installation. Suggest amendment to add a seventh member to be agreed upon unanimously by all six members so to avoid deadlocked decisions.

- A report of findings from the Commission is required within 30 days and must include a fiscal impact on the affected property. The fiscal impact requirement is over and above what is normally required in a “zoning” case. This requirement is burdensome and may be expensive to complete, especially in a short timeframe. It is suggested the fiscal impact statement be eliminated.
4. Amend Section 397A.057 (Coordination with other Plans and Studies)
    - The current language states, “the compatible development standards must be coordinated with the county plan for growth and development”. In the case in which a county has no adopted plan for growth and development, it is recommended the language be amended to require the Commissioners Court approval of “compatible development standards” around the installation as the necessary “coordination” in lieu of an adopted plan.
  5. Amend Section 397A.062 (Judicial Review of Commission of Governmental Entity Decision)
    - Currently a landowner aggrieved by a *report or recommendation* submitted by a RSMC may appeal the decision to a District Court. It is recommended the appeal language for be deleted and amended to allow appellate relief at the final stage after the governmental body makes the final recommendation on the approval/denial of a project.

## **IMPACT**

The suggested amendments to this law would reduce the expense associated with implementing the Regional Military Sustainability Commission concept. Funds would be saved by specifically removing the requirement for a “fiscal impact” determination.

## **B. DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE GRANT (DEAAG)**

### **PROPOSAL**

To provide funding of \$20 million for the Defense Economic Adjustment Assistance Grant (DEAAG) program as originally authorized by SB 227 of the 75<sup>th</sup> Texas Legislature. This program provided grant funds for Texas military communities negatively impacted by military base closures due to significant loss of jobs. This grant program should be re-funded and include grant funds for military communities impacted by the 2005 round of Department of Defense Base Realignment and Closure (BRAC) either due to job loss or significant growth.

### **BACKGROUND**

DEAAG was established by the 75<sup>th</sup> Texas Legislature to assist adversely impacted defense-dependent communities respond to or recover from defense base closures or the realignment of military missions. The most recent round of BRAC in 2005 will also have a profound affect on a number of military communities across Texas. Communities such as Corpus Christi/Ingleside, Brooks City Base in San Antonio and Red River will experience base closures, while El Paso and Fort Sam Houston in San Antonio will realize significant increase in missions and personnel at their local bases. All of the military communities in Texas are somehow impacted by BRAC 2005, and these military communities are facing a variety of challenges and opportunities. By refunding the DEAAG at \$20 million, grant funds can be made available to specifically assist

military communities in providing needed infrastructure improvements and leveraging BRAC changes to create economic development opportunities in partnership with the military.

**IMPACT**

DEAAG funds would assist both gaining and losing/closing communities. It would allow communities to alleviate infrastructure issues caused by military growth and assist losing/closing communities utilize the military assets for economic development and job creation.

## Higher Education

### A. UNIVERSITY OF TEXAS AT SAN ANTONIO (UTSA)

#### PROPOSAL

- Support \$92 million tuition revenue tuition bonds for Experimental Science Instructional Building
- Seek funding of \$5 million for joint San Antonio Life Science Institute
- Support stabilizing formula funding through State general appropriation and maintain present budget.
- Support funding of \$50 million for TRIP (Texas Research Incentive Program)

#### BACKGROUND:

Endorsement of a Tuition Revenue Bond (TRB) bill for capital construction projects for public universities. UTSA seeks adequate support in TRB's for an estimated \$92 million for a new Experimental Science Instructional Building. This project would add 150,000 GSF of teaching laboratory and classroom space to the Main Campus ensuring STEM teaching facilities reflect up-to-date technology, safety and security. This project will reduce the severe space shortage at UTSA. UTSA ranks as one of the top institutions in Texas in terms of classroom space utilization, and at 155 gross square feet per student, our campus facilities are only 72% of the Texas public institution average.

Endorsement of \$5 million for the joint San Antonio Life Sciences Institute (SALSI) for UTSA. The UTHSC-SA is also requesting \$5 million for SALSI, our collective request is for \$10 million. Authorized by the 77th Legislature, SALSI is a partnership between the UTSA and UTHSC-SA that has become the model for synergistic development of research and education programs between general academic and health institutions. SALSI has led to the development of educational programs in biomedical engineering, neurosciences, and health disparities that could not be accomplished by either institution alone. Collaborative seed grant research proposals have resulted in major federal research grants with a return on investment (ROI) of almost 200%.

Endorsement of stabilizing formula funding through the State general appropriation, and maintaining the present budget to the extent possible without further cuts beyond 5%. It is critical that the Legislature restore the formula funding base that was funded in the current biennium with ARRA federal stimulus money. This represents almost \$4 million or 4% of state appropriations. UTSA is highly dependent on those funds to cover faculty salaries. Over the past decade, UTSA's enrollment has grown by over 60%, but because that growth occurred as available state revenues contracted, UTSA now receives the lowest state appropriation per full time equivalent (FTE) student of all the UT academic institutions. Adequate base formula funding is essential to helping UTSA work towards attainment of Tier One status. Further cuts to the state-appropriated budget would require UTSA to scale back on instructors and courses offered, causing delays to student degree completion and limiting the number of students we can serve.

Endorsement to continue Legislative funding \$50 million for the Texas Research Incentive Program (TRIP) which provides matching funds for 7 emerging research institutions (from HB 51) to become Tier One. The TRIP matching program was established last Legislative Session in HB 51 as an incentive for 7 emerging research universities to raise private philanthropy for university research initiatives. TRIP matching funds enabled UTSA to secure \$4.7 million in new monies for key research priorities. UTSA recommends the Legislature continue investing \$50 million into TRIP to help emerging research universities reach Tier One status. Continuation of this program would demonstrate to the rest of the U.S. that Texas supports the growth of additional public research universities and this would also help attract top faculty from throughout the U.S. to Texas universities.

## **IMPACT**

UTSA generates more than \$1.2 billion in annual business revenues and supports an estimated 15,720 jobs in the San Antonio metropolitan statistical area. As UTSA builds its research and advanced degree capabilities in the sciences, UTSA is also increasing the number of students majoring in engineering, life sciences, physical sciences, cyber security. UTSA is already one of the leading institutions in the country at producing Hispanic graduates in STEM fields according to *Hispanic Outlook in Higher Education*. The number of buildings for classroom and laboratories is critical for UTSA becoming Tier One.

UTSA's SALSI has led to intellectual property which is having major impact on the economic development of the biomedical industry in San Antonio and South Texas. SALSI will enhance future research funding, collaborative opportunities, the economy, and provide advanced educational opportunities for Texas.

Further Legislative reductions to UTSA could amount to more than a \$240 million loss in earning potential in Texas over the next 40 years, and this does not include consideration of any collateral economic activity. A 10% reduction to the non-formula base, would severely affect UTSA's mission and the ability to provide existing students access to the classes required for degree completion at our Downtown campus, and hamper our ability to serve new students. A recent study indicates that, in return for a general State appropriation of about \$100 million, UTSA has a local economic impact of \$1.2 billion: nearly a 12-to-1 return. Each 5% reduction translates into \$60 million in lost economic activity for the State annually. Even more devastating would be the long term effects, because each year's graduating class from UTSA increases their lifetime incremental earnings in our state's future knowledge economy by \$4.8 billion! That is the Net Present Value for 1-year's educational output by UTSA, and represents a benefit that is 48 times the approximate \$100 million State appropriations support cost.

## **B. UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER (UTHSC)**

### **PROPOSAL**

- Endorse funding of \$5 million (over 2 years) for the San Antonio Life Science Institute (SALSI)
- Endorse funding for health related institutions for instruction, research and infrastructure
- Endorse funding of \$4 million for Barshop Institute for Longevity and Aging Research
- Support \$55 million tuition revenue bonds for construction of Academic Learning & Teaching Center

## **BACKGROUND**

### **I. Formula Funding**

Endorse the recommendations of the Texas Higher Education Coordinating Board to the 82nd Texas Legislature by seeking formula funding for Health Related Institutions, which enhances funding for Instruction, Research, and Infrastructure, including Graduate Medical Education (GME), and nursing education for the 2012-2013 biennium.

### **II. Non-Formula Funding (Exceptional Items)**

San Antonio Life Sciences Institute (SALSI) – Seek \$5 million of enhanced general revenue for SALSI to establish SALSI as a permanent entity to continue effective UTHSCSA/UTSA collaboration, primarily for faculty recruitment, support of core research facilities and equipment, and academic program development such as joint degrees and collaborative research, including enhancing collaboration with other Texas universities.

Barshop Institute for Longevity and Aging Research - Seek \$4 million of first-time general revenue funding to create and support the Center for Healthy Aging, a multi-disciplinary center, to work in a synergistic and coordinated manner to deliver the best geriatric care and conduct outstanding research on the management of age associated illnesses.

### **III. Tuition Revenue Bonds (TRBs)**

Academic Learning and Teaching Center (ALTC) - Support \$55 million TRB for a new main campus facility to accommodate the expansion of the Multi-Disciplinary Teaching Labs to enable student enrollment growth in all five schools, especially in increasing medical and dental student enrollment as a precursor to increasing enrollment of third and fourth year students at the RAHC and the RCL to address health care reform workforce shortages.

## **IMPACT**

UTHSC programs are consistently cited among the best in US News and World Report. Each year, faculty and staff provide in excess of \$120 million in uncompensated health care to the uninsured and underinsured population of San Antonio and South Texas. UTHSC is the only tier one research university in San Antonio and South Texas and are ranked among the top 10% of all research universities in the nation. UTHSC is a major catalyst for the City of San Antonio's \$16.3 billion a year biosciences and health care industry, the leading economic generator for our city.

## **C. TEXAS A&M UNIVERSITY – SAN ANTONIO (TAMU-SA)**

### **PROPOSAL**

- Support retention of current funding for 2012-2013
- Support \$2 million exceptional funding for Partnership for Advancement of First Generation Hispanic Students
- Support \$7 million exceptional funding for Student Access, Retention and Program Development
- Support \$70 million tuition revenue tuition bonds for construction of Academic Classroom/Library

## **BACKGROUND**

### **I. Special Funding Item**

The 80<sup>th</sup> legislative session provided \$10,000,000 to the university for transition to a stand-alone institution. The 81<sup>st</sup> legislative session provided an additional \$6,277,304 for the same purpose.

During FY 2010 the State leadership requested that all agencies/institutions reduce their appropriation by 5%. This reduction leaves TAMU-SA with \$15,463,439 for the following: expansion of academic programs, extraordinary student enrollment growth and increased faculty and staff levels to support stand-alone institution operations.

## **II. Exceptional Funding**

Partnership for Advancement of First Generation Hispanic Students - Support \$2 million in exceptional funding for the Research Initiative Centered on Hispanic Students (RICHS). The funds would establish a partnership between Texas A&M University-San Antonio and Texas A&M University, College Station. TAMU-SA is a fast growing institution located in culturally rich and diverse region of the City. With growth, the needs of our students are increasing exponentially. The TAMU College Station faculty is rich with knowledge capital related to program implementation and evaluation. The following will be accomplished by: improve the quality of life in areas of Texas with high or increasing Hispanic students and families, conduct research to inform community, state, and national-level decision makers on policies relevant to underserved students, provide much needed mentorship to a TAMU-SA junior faculty that are committed to the improving opportunities for the Hispanic students; implementation of Mentors, Administrators, Professors, and Students (MAPS) research program which will provide an academic support program on four levels to non-traditional, low-income, first generation Latino students transitioning from a community college to a baccalaureate granting university.

Support \$7 million exceptional funding for Student Access, Retention and Program Development – TAMU-SA was established as a stand alone University by Senate Bill 629, 81<sup>st</sup> Legislature. The university will open the first building on the new campus in the summer 2011, develop new programs, hire the required faculty and staff to support the rapid growth, and establish the myriad of administrative systems required of every university. The goal of the university is to minimally increase tuition in 2011 in an effort to provide the students with an affordable education program. The university will require the support staff to almost double in size to handle the student growth. The projected student growth will dictate that the university hire approximately 20 additional tenure track faculty in the biennium. Programs to be developed in the next biennium include: Computer Information Systems (emphasis in Cyber security), Environmental Sciences and Allied Health. The Texas A&M University–San Antonio Foundation has provided \$850,000 in scholarship funding to more than 500 students over the past 2 years. This funding is part of a \$1,000,000 gift from the Verano Development Group. The scholarships have been provided to approximately 9% of the community's underserved students. Additionally, the Texas A&M University system provides 10 scholarships to low socio-economic students in the South San Independent School District. Some of the funding will be used for the acquisition of library materials to support the new programs.

## **III. Tuition Revenue Bond (TRBs)**

Support \$70 million tuition revenue bonds for construction of Academic Classroom/Library Building - The University has been provided a land gift of approximately 694 acres to construct a new campus on the south side of San Antonio. The multi-purpose building is being constructed on the new campus site and is expected to be completed July 2011. The University enrollment has already outgrown this building and will not be able to move all operations to the new campus when the building opens. The University student growth from Fall 2008 to Fall 2009 was 64%. The enrollment increase for Fall 2010 is projected to be in excess of 30%. According to the Higher Education Coordinating Board Space Model the university's space shortage will be in excess of 200,000 square feet when the new multi-purpose building opens July 2011. The construction of this building will only allow a portion of the university to move to the new

campus. The University growth will require the maintenance of the current lease space. The new facility will accommodate new laboratories necessary to support the academic program. The University currently uses a Southside Independent School District middle school laboratory for the biology classes. This construction will provide a full service library with room to expand to support the new academic programs.

**IMPACT:**

The extraordinary enrollment growth is contributing to the Higher Education Coordinating Board initiative of “Closing the Gaps” by providing educational opportunities to students in an underserved region of the city and 31 counties in the State of Texas. The University’s rapid growth will continue and it is expected to grow in excess of 30% in Fall 2010. The exceptional student growth is an indication of the need for expanded educational opportunities. A better educated populace will contribute to the economic development of this region and benefit the State of Texas.

**D. ALAMO COLLEGES**

**PROPOSAL**

- Support retention of base aid formula funding for Community Colleges
- Support promotion of completion of community college education prior to transfer to a university
- Support community colleges offer of non-competitive Bachelor Degrees
- Support \$6.5 million in Exceptional Items Funding Requests
- Support the continuation in funding the Skill Development Fund

**BACKGROUND**

1. Base Aid Formula Funding for Community Colleges
  - Maintain current level of base aid formula funding, plus enrollment growth funding. For the Alamo Colleges, current level of biennium funding is \$144.2 million.
  - Employee benefits funding should be maintained at the current appropriations level. For the Alamo Colleges, this would represent a biennium appropriation of \$25.6 million.
2. Promote completion of the community college education before a student transfers to a university.
  - Provide financial incentives for community college students upon completion of the associate degree and when they do transfer to a four-year college or university. This will save the state money as it is less expensive for the State to fund community college students and programs than university students in like programs/services at four year colleges or universities.
3. Permit community colleges to offer specific BA degrees that do not compete with local universities, such as Fire Science and Culinary Arts.
4. Exceptional Funding Requests
  - Alamo Area Academies Expansion - \$1 million funding would allow for the expansion of the workforce training academies at the Alamo Colleges.

- Student Services and Educational Support for Non-Traditional Students Pilot Project - \$1.5 million in order to support students whose work or life situation does not allow them to attend or complete a traditional semester format.
  - First Responders Academy Reusable Training Buildings - \$4 million funding would provide live-fire training buildings to enhance an existing program for the San Antonio and South Central Texas areas with highly trained and qualified personnel.
5. Support the continuation in funding the Skill Development Fund that supports training programs for new and expanding businesses including:
- The Jobs and Education for Texans (JET) program.
  - The Job Building to help community and technical schools purchase cutting-edge equipment needed for high-demand career and technical education programs.
  - The Career and Technical Scholarship Fund which provides tuition grants to students enrolled in a high-demand occupation training program.

## **Support Economic Development Funding**

### **PROPOSAL**

Support legislation that promotes, renews, and re-authorizes certain economic funds and statutes and that enhance economic development opportunities

### **BACKGROUND**

The City of San Antonio is active in efforts to retain the existing employment base and attract new, high paying jobs and capital investment. Numerous City initiatives are geared toward ensuring that the city has a qualified workforce and provides a competitive economic development package to qualified businesses.

Economic development incentives such as tax abatements, tax incentives and special grants are not the primary factor in attracting new jobs and capital investment, but they are a necessary component of a successful economic development program. San Antonio has benefited from several economic development programs that were put in place by the Texas Legislature over the past few years.

Each legislative year several of these programs require efforts to secure renewed appropriations. Other programs require fine tuning or re-authorization or new legislation to promote or enhance economic development opportunities. The City of San Antonio supports all of such efforts including the following:

1. Renewed funding for Texas Enterprise Fund, the Emerging Technology Fund, and the Skills Development Fund as well as other measures to promote economic development.
2. Legislation that provides economic development opportunities, such as the Texas Enterprise Zone Program, tax increment financing, possible new margin tax credits, dual credit funding for training academies and related provisions for any changes that might benefit the city's economic development efforts.
3. Support Port San Antonio's efforts to amend applicable statutes which currently require the Bexar Appraisal District to assess and tax commercial aircraft inventory, such as the Boeing 787 Dreamliner aircraft, that will be located at Port SA. Such an amendment would encourage aerospace companies to locate commercial workload and aerospace jobs at Port SA without facing a significant tax on inventory. Without such legislative relief, aerospace companies, such as Boeing, will likely locate such commercial aerospace workload and jobs at facilities in states other than Texas that do not tax such inventory.

### **IMPACT**

The City has benefited financially from most of the programs outlined above. San Antonio received funds or used economic development tools provided by the state to assist with economic development projects, including but not limited to Toyota, Kohl's, InCube Laboratories, Medtronic Inc., Allstate Insurance, and Nationwide Mutual Insurance. Companies and research entities in San Antonio have received grants from the Emerging Technology Fund.

The City seeks continued support for these programs for San Antonio to continue to successfully attract and retain businesses and to support innovative, cutting edge research in

San Antonio. This assistance has helped the City attract and retain businesses that make the local economy more competitive on a national scale.

## Haven for Hope Funding

### **PROPOSAL**

Endorse the reauthorization of Homeless Housing and Services Program (HHSP) funds in the State budget for homeless housing initiatives, as originally appropriated in the 2009-2011 State budget.

### **BACKGROUND**

During the 81<sup>st</sup> Legislative Session, the Legislature appropriated \$20 million over the biennium to be administered by the Texas Department of Housing and Community Affairs (TDHCA) to fund the HHSP. The funds were allocated among the eight largest cities in Texas. The City of San Antonio's final allocation was \$3.4 million. The City appointed Haven for Hope as sole direct designee.

With this overwhelming homeless and marginalized population, San Antonio has experienced a great housing shortage for those in need of public, affordable housing. As recently as last year the San Antonio Housing Authority had a documented waiting list of over 17,000 individuals. The current wait time for a homeless individual to obtain some form of permanent housing is between 6-18 months.

Overall, Haven for Hope is approximately a \$100 million construction project. Haven for Hope is composed of 15 buildings, with about 500,000 square feet under roof on 37 acres of land in San Antonio and is located in one of the lowest per capita income neighborhoods in Texas.

Haven for Hope, Inc. requested HHSP funds to assist in closing this gap. Haven for Hope used the funds for the construction of a portion of the Haven for Hope Homeless Campus. HHSP funds were invested in all three of the Residential Facilities (Men, Women, and Families) on the Haven for Hope Campus. Overall, the three residential buildings house roughly 1,000 individuals at any given time.

The Haven for Hope campus was completed in the second quarter of 2010, and is the largest and most comprehensive homeless "Transformational Campus" in the United States. The campus offers services to treat the root causes of homelessness and addresses the housing, workforce training, medical, mental health, and substance abuse needs of the homeless population. To that end, Haven for Hope of Bexar County has partnered with 74 non-profit and government agencies that provide over 145 different services to homeless and near homeless individuals. On any given night, 1,200 to 1,500 homeless individuals will be living on the campus and receiving valuable and necessary services.

### **IMPACT**

Reauthorization of the HHSP funds over a two-year period would help support Haven for Hope's programs to provide comprehensive housing and services to the homeless population in San Antonio. These funds would help Haven for Hope continue to treat the root causes of homelessness.

## Statewide Tobacco Ban in Workplaces and Public Places

### PROPOSAL

Endorse legislation filed during the 82<sup>nd</sup> Texas Legislative Session to eliminate smoking in all workplaces and public places across Texas. While San Antonio has recently passed an enhanced local smoking ordinance, proposals at the state level would help to provide consistency in smoking bans throughout the state, address business concerns regarding an unequal playing field across municipalities with regards to laws, and help to curb disease associated with tobacco use and secondhand smoke.

### BACKGROUND

- Tobacco use is the single most preventable cause of disease, disability, and death in the United States. Each year, an estimated 443,000 people die prematurely from smoking or exposure to secondhand smoke, and another 8.6 million have a serious illness caused by smoking.
- A survey of Texas voters indicates that 22% of Texans would go out to restaurants more and 8% would go out less often (with 69% going out to restaurants about the same) resulting in a net increase of 14% if the Legislature made all restaurants and bars smoke-free. This would extrapolate to 1.8 million voters dining out more often statewide if a smoke-free law was in place.
- Employer costs attributed to secondhand smoke or smoking in the workplace include absenteeism; health insurance and life insurance costs and claims; workers' comp payments and health awards; accidents and fires (plus related insurance costs); property damage (plus related insurance costs); smoke pollution (increased cleaning and maintenance costs); illness and discomfort among non-smokers to secondhand smoke; and liability.
- During the 81<sup>st</sup> Texas Legislature, the American Cancer Society, American Heart Association, American Lung Association, the Texas Restaurant Association and others actively supported the passage of a bill to address smoking in public places (HB 5) which did not pass.
- During discussions regarding the 2010 changes to the San Antonio smoking ordinance the San Antonio Restaurant Association, the San Antonio Chamber of Commerce and Smoke Free San Antonio all stated they would support a state-wide smoking ban.

### IMPACT

A smoking inspection fee is collected through the local ordinance. With the passage of a statewide smoking ban the CoSA smoking inspection fee will have to be evaluated, and possibly modified or eliminated as consistent with the state law. It is possible that with the passage of a statewide ban the Department could begin to charge establishments a fee any time that the Department has to respond to a smoking complaint (a possible new revenue stream).

Secondhand smoke imposes significant costs on nonsmokers and society. Increasing costs for medical care, mortality and morbidity from exposure to secondhand smoke.

## Reduction of Teen and Unplanned Pregnancies

### PROPOSAL

Endorse the legislative agenda of the Healthy Futures Alliance focused on the prevention of teen and unplanned pregnancies across Texas and in San Antonio in particular. This endorsement would complement the Metro Health endorsement of school health policies that promote health and wellness of students, but would also include additional endorsements of policies and funding in the areas of family planning and preventive health services for women. Specific proposals include:

- Continue and strengthen the Texas Medicaid Women's Health Program which provides checkups, screening, and birth control—not abortion—to women 18-44 who would be covered by Medicaid if they were pregnant. Although it has reached fewer than 5% of eligible women, WHP saved Texas over \$40 million in 2008 alone. In fact, Texas saved \$20 for each \$1 it put into WHP. Metro Health does not provide women's health screenings or clinical services but endorses these programs for the benefit of the community.
- Maintain or increase funding levels for Titles V, X, and XX Family Planning: These federal funds come through the state, which contracts with clinics to provide services. Unfortunately, the funding is able to serve fewer than 20% of the 1.8 million Texas women in need. Metro Health does not provide family planning services but endorses these programs for the benefit of the community.
- Require Sex Education in Public Schools to be Evidence-based: Most Texas students receive ineffective and incomplete instruction about human sexuality, and 41% of school districts use programs with inaccurate information<sup>8</sup>. This proposal is consistent with Metro Health's endorsement to support effective school-based health programs.
- Encourage Texas to request federal Personal Responsibility Education (PREP) funds: The recently passed federal Health Reform law includes \$55.25 million in funding for evidence-based teen pregnancy prevention, and Texas can request up to \$4.4 million to support proven programs in communities and schools, and would fund programs that are demonstrated to affect teen behavior. This proposal is consistent with Metro Health's endorsement to support effective school-based health programs and could help support programs such as Metro Health's Project WORTH.

### BACKGROUND

#### Teen Pregnancy

- Texas has the nation's third highest teen birth rate (64.2 births per thousand females age 15 to 19 in 2007). Texas also has the highest rate in the U.S. of repeat teen births at 24%.
- The public costs to Texas of teen childbearing are estimated to be at least \$1 billion annually, the highest of any state.
- Reduction of teen pregnancy can reduce state expenditures but also reduce the incidence of social and health issues associated with teen pregnancy including school dropouts, child abuse, low birth weight infants, infant mortality, abortion, and incarceration.

### Unplanned Pregnancy

- In Texas, 71% of pregnancies among single young adults are unplanned, and these carry high risks of late prenatal care, low birth weight, poor child physical and mental health, low educational achievement, family violence, relationship stress, and abortion.
- Unplanned Medicaid births cost the state over \$1.2 billion in 2007.
- The number of low-income women in need of birth control services statewide exceeds 1.8 million.

### **IMPACT**

Reduction of teen and unplanned pregnancies can bring economic, social, and health benefits to women, children, families and the community as a whole. Investment in evidence-based programs and preventive health services can translate to a reduction in teen and unplanned pregnancy rates.

## Key Health Policy Issues

Endorse legislation in support of public health programs that are preventative. The critical public health issues anticipated to be a priority for the 82<sup>nd</sup> Legislative Session include:

**Food Safety** – Protecting the safety of the food supply from contaminants and pathogens is a key responsibility of The City of San Antonio’s Metro Health Department. This includes licensing and inspection of restaurants, temporary food vendors, grocery stores and other food outlets. Metro Health recommends that the City support bills that support or enhance state or local food-borne illness surveillance, laboratory capacity, food safety regulations and education around proper food handling and would oppose bills that would erode the food safety system.

**Public Health Outbreak Response** – Metro Health continuously monitors and frequently responds to outbreaks or clusters of infectious diseases including large scale responses as with the 2009 novel H1N1 Influenza. Metro Health recommends support for bills that support or enhance state or local infectious disease surveillance, laboratory capacity, public health authority to implement infection control measures in a given venue or community, and public health emergency response/outbreak response capacity and would oppose bills that would erode the public health response system.

**Obesity/Heart Disease Prevention** – Metro Health has identified obesity prevention and sodium reduction as a critical health issue for San Antonio and Bexar County and has a number of current initiatives in place to address contributors to obesity in our community. Additionally, Sodium reduction in the food supply has been identified as a key public health issue in order to reduce heart disease and associated health complications. Studies have shown that the average sodium intake for adults is nearly 50% above the recommended daily amount. A number of bills may be introduced during the legislative session that might bolster or erode our local efforts to prevent and control obesity and heart disease. Potential legislative proposals in this area may include regulation of food additives, menu labeling requirements, expansion or addition obesity focused health programs, establishment of obesity prevention workgroups, school health programs including physical education requirements, and public infrastructure to support healthy lifestyles. Metro Health recommends support for bills that will strengthen local obesity prevention efforts and opposition for those that would erect barriers or slow progress in addressing obesity. Metro Health also recommends that the City support efforts to study the issue of sodium reduction, menu labeling to inform the public of sodium content, or to limit the sodium content of foods, especially those served in public settings such as schools.

**School Health Programs** – Metro Health works closely with local schools and school districts to support a variety of student health needs, primarily through our School Nurse Liaison and our network of programs serving children, teens and their families. Metro Health recommends support for bills that expand or strengthen school based health education, school based health promotion programs, and policies that support healthy student lifestyles such as physical education classes, access to healthy foods at school and infrastructure such as safe playgrounds and safe walking routes to and from schools. Issues addressed, but are not limited to, nutrition, physical activity, STD prevention, injury prevention, infection control, and healthy decision making.

**Immunizations** – Metro Health has a robust immunization program that includes surveillance, an immunization registry, direct provision of immunizations, and leveraging of a network of private and public immunization providers through the vaccines for children program. In the past a number of bills have been proposed that would authorize the expansion of immunization registries, exchange of registry data during public health emergencies, and the support of novel immunization programs such as school-based immunization campaigns. Metro Health recommends support of bills that will enhance access to immunizations and use of immunization registries for public health purposes.

## Sales Price Disclosure of Real Property

### **PROPOSAL**

Support mandatory sales price disclosure legislation or legislation requiring a study to be conducted on that issue.

### **BACKGROUND**

This item was included in previous City of San Antonio state legislative packages, but still has not passed despite advocacy by state-level elected officials. Support of legislation that includes disclosure of real estate sales prices could create additional revenues for cities and counties across the state that collect real estate taxes and would, therefore, increase funding that could be available to fund needed municipal and county services for its residents, including programs for seniors.

### **IMPACT**

Passage of legislation that ensures equality in property taxation would not create a burden to the state budget. Passage of such legislation, as indicated, would positively impact the budgets of municipalities and counties in the state.

## Texas Municipal Retirement System (TMRS)

### PROPOSAL

Support legislation proposed by the Texas Municipal Retirement System (TMRS) that would combine the Municipal Accumulation Fund (MAF), Current Service Annuity Reserve Fund (CSARF), and the Employees Savings fund (ESF) into a single city trust fund.

### BACKGROUND

The City provides pension benefits for its full-time civilian employees through TMRS. TMRS is a statewide agent multiple-employer public employee retirement system created by state law in 1948. The plan is described as a nontraditional, joint contributory, hybrid defined benefit plan.

Under TMRS' current structure, assets are held in trust in three distinct accounts, which are called "funds." The Municipality Accumulation Fund (MAF) holds city contributions and interest. The Employees Saving Fund (ESF) holds member contributions and interest. When a member retires, the accumulated contributions and interest in the member's account transfer from the ESF, along with matching funds from the city's MAF into the Current Service Annuity Reserve Fund (CSARF). The basic retirement benefit is therefore fully funded at the time of a member's retirement and is then paid monthly to the retiree from the CSARF. At the time a member retires, the basic retirement benefit becomes a liability of the System. Since the passage of HB 360 in 2009, each year the ESF and CSARF are credited, by law, with 5% interest. This guaranteed interest credit may result in a highly leveraged (positive or negative) interest credit to the MAF. In years when the System as a whole earns less than the amount needed to provide the 5% guaranteed interest credit to the ESF and the CSARF, additional funding will be needed — either from the MAF, from System reserves, or from some combination of both. Additionally, as each city's plan matures and retirements increase, more funds transfer into the CSARF from the ESF and the MAF, and the MAF grows slower than the CSARF, increasing the leverage discussed above. This lowering of the MAF balance, combined with the highly leveraged interest allocations, can result in city contribution rates that may be more volatile than a typical pension plan.

Restructuring, or combining, funds would not only eliminate leverage inherent in the current structure but would also make the City's contribution rates less volatile. Under a restructured pension fund, at the time of retirement, money would not be transferred to the CSARF (it would stay in the combined/single trust fund of the City). By reallocating the CSARF assets and liabilities and the ESF assets into each city's single trust fund, all future investment earnings based on that city's contributions for active and retired members would be directly applied to that specific city's trust assets and included in the funding equation, resulting in decreased liabilities and contribution rates. Additionally, the City's funded ratio would improve because the City would receive "credit" for the excess of assets over liabilities for those retirements that are currently being paid from the CSARF. The City's annual required contribution would be reduced since the City would receive interest on a larger base of assets over a longer period of time. The vast majority of defined benefit plans are funded under a similar structure.

**Financial Impact:** The reduction in contribution rates for the City of San Antonio under the proposed fund restructuring is estimated in the neighborhood of two percentage points (200 basis points) which translates into an estimated \$3 million in reduced employer contributions

annually for the City's General Fund. The final reduction amount would depend on actuarial experience and investment performance between now and the end of 2010.

**Fiscal Impact:** This proposal does not require state appropriations.

## Statewide Ban on Texting While Driving

### PROPOSAL

Endorse legislation, consistent with the texting ban passed by San Antonio City Council on October 7, 2010, that prohibits the use of a hand-held communications device to send, read, or write text messages, or engage in any other use besides dialing or talking.

### BACKGROUND

While San Antonio has recently passed a local ordinance prohibiting the sending, writing, or reading of text messages while driving a motor vehicle, proposals at the state level would help to provide consistency in texting bans throughout the state, and help decrease the number of injuries and deaths attributed to texting while driving.

- According to the Texas Department of Transportation, in 2008 there almost 3200 vehicle crashes where the use of a cell phone was a contributing factor, and 41% of those crashes resulted in an injury; serious injury, or death occurred in 17.6% of those crashes.
- Distracted-driving related crashes caused nearly 5,500 deaths and 450,000 injuries nationwide in 2009.
- Text messaging is banned for all drivers in 30 states and the District of Columbia.

### IMPACT

A statewide ban on the use of hand-held communication devices to send, read, or write text messages while operating a motor vehicle would decrease the number of injuries and deaths in distraction-related crashes especially in crashes involving Texas' young people, who make up the majority of those that use hand-held communication devices to send, read, or write text messages.

## DWI Legislation

### PROPOSAL

Endorse legislation which targets Driving While Intoxicated (DWI) in an effort to minimize the negative impact on the citizens of San Antonio.

### BACKGROUND

DWI is a pervasive problem in San Antonio and Bexar County and each year the problem continues and citizens of San Antonio are struck with devastating tragedies as the numbers continue to grow. The impact to the community is significant and more needs to be done to combat the issue through enhanced penalties.

Support legislation, filed during the 82<sup>nd</sup> Legislature, such as:

#### HB 99

*Author: Representative Trey Martinez Fischer (D-San Antonio)*

- Relating to the punishment for certain intoxication related offenses; creating the offense of aggravated driving while intoxicated.
- This bill makes it a Class A misdemeanor with minimum term of 30 days confinement and/or a fine up to \$400,000:
  - if the suspect registers a .16 or more;
  - if suspect registers .02 or more and is operating a commercial vehicle.
- Note: DWI is normally a Class B unless it's a second conviction.

#### HB 439

*Author: Representative Todd Smith (R-Bedford)*

- Allows police department in a city with more than 500,000 population to use temporary sobriety checkpoints on a highway or street.
- Procedures to be used must be approved by the Mayor.
- Law enforcement agency must post on website procedures used in selecting each checkpoint site and procedures to be used in operation of checkpoint, including criteria for selecting vehicles to stop.
- Selection of motor vehicles to be stopped must be reasonably predictable and non-arbitrary.
- Criteria for selecting checkpoint locations must include number of alcohol related traffic incidents and number of arrests for intoxication-related offenses in vicinity (in the preceding 12 months).
- Selection of location must be made without regard to ethnic or socioeconomic characteristics in the area.
- Law enforcement agency must place signs or other devices to advise drivers of checkpoint.
- Procedures for encounters between drivers and officer at checkpoint:
  - Video and audio recording must be made of each encounter;
  - Intrusion on driver is minimized;
  - Inquiry is reasonably related to determining whether driver is intoxicated.

HB 473

Author: Representative Todd Smith (R-Bedford)

- Requires a breath analysis ignition interlock mechanism installed in vehicle after first offense at defendant's expense.
- Motor vehicle would not turn on if alcohol is detected in the breath of the operator.
- Defendant not permitted to operate any vehicle not equipped with that device.
- Defendant must provide evidence within 30 days that the device has been installed.
- Device must remain installed on that vehicle for a period of not less than 50 percent of supervision period.
- If defendant is required to drive a vehicle at work and vehicle is owned by employer, device not required:
  - Employer must be notified of driving privilege restriction and proof of restriction must be with vehicle.
- "Alcohol-related or drug-related enforcement contact" means: conviction of an offense operating a vehicle while intoxicated; refusal to submit to breath or blood specimen following an arrest; or breath or blood specimen showing illegal concentration of alcohol.

## **SECTION V: OMNIBUS POLICY**

### **Omnibus Policy**

#### **PROPOSAL**

The City Council supports legislation that would benefit the City and oppose legislation that would be detrimental to the City's interests.

#### **BACKGROUND**

Historically, a relatively small part of the City's legislative efforts have been devoted to passing beneficial bills that would enable cities to better perform their function. A far greater effort has been expended on preventing passage of detrimental bills. In many cases, these detrimental bills are attempts to change the fundamental authority granted to municipalities.

Due to the large quantity of bills introduced during the legislative session, it is not always feasible for the City Council to consider and adopt formal policy statements of on each piece of proposed legislation. Therefore, the City of San Antonio will endorse legislation that would clearly benefit the City and oppose bills that meet one or more of the following criteria:

- Undermine the principles of self-government;
- Mandate increased cost to cities, including environmental mandates;
- Result in the loss of revenue to cities or negatively impacts the authority of the City to generate revenues; and,
- Result in diminishing the fundamental authority of cities to operate in a manner consistent with the best interest of the health, safety and welfare of the general public.

The adverse impact of each detrimental bill must be determined separately. This policy will assist the City's governmental affairs team in expediting measures to defeat detrimental legislation and play a proactive role in passing beneficial legislation.

#### **IMPACT**

This policy will assist the City staff and government affairs consultants in expediting measures to defeat detrimental legislation and play a proactive role in passing favorable legislation.

# **SECTION VI:**

## Adopted City Council Resolutions

**2010-06-24-0033R**

**RESOLUTION URGING TEXAS LEGISLATURE AND  
GOVERNOR TO REFRAIN FROM PASSING  
IMMIGRATION LAW**

*WHEREAS*, the State of Texas and Mexico share a 1,200-mile border and a long history of culture and commerce;

*WHEREAS*, the state welcomes and engages in trade and visitation with other nations;

*WHEREAS*, it is the responsibility of the United States federal government to ensure the integrity and security of our national borders;

*WHEREAS*, citing to the safety and security of the border, the Arizona Legislature and Governor approved Arizona Senate Bill 1070, effective on July 29, 2010, that would:

- Make it a state crime to be in the United States illegally;
- Require immigrants to have proof of their immigration status;
- Require police officers to determine the immigration status of a person if there is "reasonable suspicion" that he or she is an illegal immigrant;
- Allow lawsuits against local or state government agencies that have policies that hinder enforcement of Arizona Senate Bill 1070; and
- Target the hiring of illegal immigrants as day laborers by prohibiting people from stopping a vehicle on a road to offer employment and by prohibiting a person from getting into a stopped vehicle on a street to be hired for work if it impedes traffic;

*WHEREAS*, many cities and law enforcement officers across the nation have expressed concern that application of the Arizona law will likely violate the constitutional rights of citizens, and will impede law enforcement efforts to investigate crimes in which the immigration status of the victims and witnesses may be an issue;

*WHEREAS*, the San Antonio Police Department practices community policing, which focuses on establishing strong relationships of trust and communication between police officers and the community, and is critical to the reduction of crime and to the safety of citizens in our city;

*WHEREAS*, a law similar to Arizona's Senate Bill 1070 requiring San Antonio police officers to investigate immigration status would erode the trust built over the years by the

officers with citizens and legal residents, undermine the foundation of community policing, and ultimately result in an increase of crime; and

**WHEREAS**, some members of the Texas Legislature have indicated their intent to introduce legislation similar to Arizona Senate Bill 1070;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** The City of San Antonio urges the Governor and the Texas Legislature to refrain from passing a law similar to Arizona Senate Bill 1070 or any other law that targets individuals on the basis of race, ethnicity or national origin and endangers the protection of constitutional rights; and

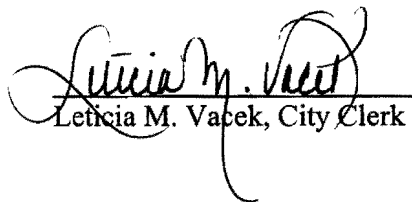
**SECTION 2:** The City of San Antonio urges the President and the Congress to carry out their responsibility to secure the integrity and safety of our national borders, by passing sensible, humane, comprehensive and bipartisan immigration laws.

**PASSED AND APPROVED** this 24<sup>th</sup> day of June, 2010.



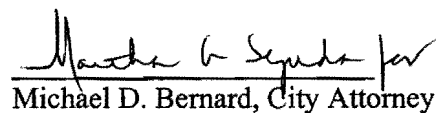
**M A Y O R**  
Julián Castro

**ATTEST:**



Leticia M. Vacek, City Clerk

**APPROVED AS TO FORM:**



Michael D. Bernard, City Attorney

**A RESOLUTION IN SUPPORT OF THE PASSAGE OF LEGISLATION DURING THE 82<sup>nd</sup> STATE LEGISLATIVE SESSION REQUIRING PAYDAY AND AUTO TITLE LENDERS TO STOP USURIOUS LENDING AND COMPLY WITH THE SAME STANDARDS AS LICENSED CONSUMER LENDERS.**

\* \* \* \* \*

**WHEREAS**, in the state of Texas there are over 3,000 unlicensed and unregulated Payday and Auto Title Lenders making over \$3 billion in high-cost loans to Texas families each year; and

**WHEREAS**, there are over 278 of these entities in our local community charging annual percentage rates of over 500%; and

**WHEREAS**, 15 states and the District of Columbia have adopted a 36% or lower annual percentage rate cap for these types of loans and the federal government has adopted a similar rate cap for payday and auto title loans to the military based on a Department of Defense finding that these loans, "undermine military readiness, harm the morale of troops and their families, and add to the cost of fielding an all-volunteer fighting force."; and

**WHEREAS**, there is a need in our community and action is required at the state level to enforce fair consumer lending standards in Texas; **NOW THEREFORE:**


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

**SECTION 1.** City Council supports legislation which would:

1. Close the loophole in state law that allows payday, auto title, and other consumer loans to carry annual percentage rates of over 500%.
2. Provide a level playing field by requiring all lenders and brokers of payday, auto title and other consumer loans to be licensed and to comply with the same standards and consumer protection laws of licensed lenders under Chapter 342 of the Texas Finance Code.
3. Create a system to collect consumer loan data from lenders and brokers of consumer loans to ensure that these entities engage in fiscally sound lending that supports the well-being of our community.

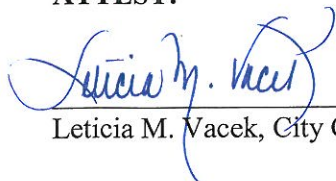
**SECTION 2.** This Resolution shall be effective on and after the tenth day after passage.

**PASSED AND APPROVED** this 16<sup>th</sup> day of December, 2010.



**M A Y O R**  
Julián Castro

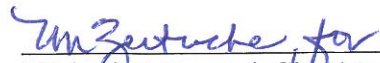
**ATTEST:**




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Leticia M. Vacek, City Clerk

**APPROVED AS TO FORM:**




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Michael D. Bernard, City Attorney