

City of San Antonio: Mission Verde Sustainability Plan

Strategy #2: Clean and Green Technology Development

Initiative #2: Create a multi-tech venture capital fund in San Antonio.

The key to creating the innovation and entrepreneurship needed to support a 21st Century sustainable economy is venture capital. Venture capital fosters new technologies, new companies, and new jobs. It energizes a community, moves it forward, and creates the foundation for sustainable economic growth. It is essential for a healthy, growing urban economy.

For San Antonio to achieve its full potential in biotechnology, high technology, clean and green technology, companies and entrepreneurs in San Antonio must have access to venture capital. The best way to do this is to create a multi-tech venture capital fund headquartered here in San Antonio.

We are well on our way toward achieving that end. In June, 2008, Mayor Hardberger commissioned a report on the feasibility of creating such a fund in San Antonio. The team assembled to do the report was Sustainable Systems (Oakland, CA), Economic Innovation International (Boston, MA), and Strategic Development Solutions (Los Angeles, CA). Together, these three firms have created more than 30 venture capital firms across the U.S. and around the world.

In November, 2008, the team issued a feasibility assessment report which concluded that San Antonio should pursue a multi-tech venture capital fund. The team recommended that the fund should be a regional fund headquartered in San Antonio and that it should be capitalized at \$100 million. It also recommended that the fund manager should be Brooke Private Equity Advisers, a world-class Boston-based private equity firm with close ties to Advent International, one of the world's largest private equity firms. (The head of Brooke Advisers, Peter Brooke, is the founder and chairman of Advent.)

On December 4, 2008, the San Antonio City Council appropriated \$75,000 to the fund building team to conduct the next phase, a market assessment report. When the market assessment report is done, the Fund will be ready for capitalization. Once it is capitalized, the Fund, with the leadership of the world-class fund building team and fund manager, will be able to put national venture capital to work in San Antonio, support local venture fund efforts, and accelerate the emergence of clean and green technology in San Antonio.

Action

Finalize the creation of a Multi-Tech Venture Capital Fund in San Antonio; move rapidly to capitalization.

Timetable

May 2009: Market Assessment Report

Fall 2009: Begin capitalization

Related documents:

San Antonio Multi-Tech Venture Fund Feasibility Assessment Report, November 2008.

Initiative #3: Create a Green Jobs Program in San Antonio.

The transition to a distributed energy model, the creation of a \$100 million multi-tech venture capital fund, and the launching of a large-scale retrofitting program will generate thousands of green jobs that span many industries. These jobs will create new opportunities for San Antonians. To ensure that San Antonians, particularly the unemployed and underemployed, take advantage of these opportunities, we must provide training to match employer needs as they evolve. We must coordinate our workforce development resources and find funding to provide this training. This is the rationale for a deliberate, systematic Green Jobs Program.



In October 2008, the City of San Antonio hired Sustainable Systems to assess and make recommendations about the creation of a Green Jobs Program in San Antonio. Sustainable Systems partnered with the Council for Adult and Experiential Learning (CAEL), a leading national workforce intermediary based in Chicago with substantial experience designing and implementing workforce programs for cities, states, corporations, and industry sectors. Both came to San Antonio in November, 2008, and met with Workforce Solutions Alamo, Alamo Community Colleges, the University of Texas at San Antonio, the P-16 Plus Council of Greater Bexar County, CPS Energy, SAWS, and a variety of green employers. They concluded that San Antonio has the resources to create a Green Jobs Program, that it should do so, and recommended a set of action steps for creating such a program.

Now is the moment to create such a program. We need to design a comprehensive, large-scale Green Jobs Program which brings together key educators and employers in defined roles. The plan must respond to rapidly-changing conditions in the current workforce and anticipate new demands based on policy changes. We must move toward rapid implementation in order to put San Antonians to work in good-paying jobs with a future. By doing so, we will ensure that our new sustainable economy creates opportunities for all San Antonians.

Action

Design and implement a comprehensive, large-scale Green Jobs Program based on the CAEL and Sustainable Systems action steps.

Timetable

February 2009: Hire consultants to work with local partners to design program.
April 2009: Begin implementation.

Related documents:

Report on Establishment of a Green Jobs Program in San Antonio, January 2009.

Initiative #4: Use the City's economic development strategies to foster development of a 21st Century sustainable economy.

Traditional economic development strategies apply to the development of a 21st Century sustainable economy. Tools such as tax abatements, cluster development strategies, and business attraction and retention programs can be targeted and tailored for green businesses. The City of San Antonio, for the most part, already has these tools in its business development toolbox. In 2005, San Antonio did a cluster analysis which identified leading clusters here, including Environmental or “clean and green” Technology, defined as companies that create jobs that improve environmental quality. This can involve remediation, improvement of the natural environment, conservation and efficient use of resources. It includes business activities in the research, development, services or manufacturing of products such as pollution control devices and systems, waste treatment processes and storage facilities, clean energy products and services, green building products and services, alternative transportation products and services, recycling, and site remediation technologies.

In November, 2008, the City Council approved clean and green technology as one of the targeted industries available for funding under the Economic Development Incentive Fund. Recently the City also approved tax abatement guidelines that favored green building practices, such as meeting Leadership in Energy and Design (LEED) Green Building Rating standards or participating in CPS Energy renewable energy programs.

The City now must use these tools to aid local businesses and attract new ones. There will be fierce competition for green technology businesses across the country. San Antonio must be prepared to compete and aggressively seek such businesses, as it has successfully done in other areas, such as healthcare, financial, and automotive manufacturing. Just as Toyota brought many auto suppliers in its wake, so can the next successful green technology businesses have a ripple effect on San Antonio's economy.

Action

Use the City's business development toolbox to attract and support new green technology businesses.

Timetable

Ongoing.

Related documents:

Economic Development Incentive Fund Guidelines

Tax Abatement Guidelines, December 2008