

**2002-27 REPORT FROM CITY CLERK CERTIFYING THE RESULT OF
EXAMINATION OF SUPPLEMENTAL PETITION – PGA VILLAGE
REFERENDUM PETITION**

City Clerk Norma Rodriguez made a Presentation on the final report of the PGA Petition.

She outlined the petition verification process, delineating the automated process which was in concert with the numerous manual checks of each of the reports. She further outlined the number of hours, number of employees, and the costs associated with the verification process. She expounded on each of the steps involved in the process, through the automation sequence and the manual reviews. She reported on the number of signatures submitted on the first submission as 79,083 and then the amendment petition which was 27,950, the total number of pages submitted on each of the petitions, the number of validated signatures for the second amendment reflected 20,478 for a grand total of 77,419 as valid signatures, declaring the petition as sufficient.

The following citizen(s) appeared to speak:

Ms. Marisol Cortez, spoke in favor of the petition process, and acknowledged the citizens who signed the petition, in addition to the hundreds of dedicated volunteers who worked to collect signatures for the petition. She stated Save Our Aquifer will continue with their effort to protect the aquifer.

Ms. Margaret Greco, expressed her concern for the protection of the environment and water quality.

Father Walter D'Heeden, Cops Metro, spoke in support of the successful petition drive, congratulated all the institutions and individuals who worked so hard to collect the signatures and those who opposed the agreement. He noted the number of signatures who want assurance of protection of the aquifer. He urged the City Council to listen to the citizens of San Antonio, and urged an expedient decision.

Sister Gabriella, stated that Cops/Metro was urging repeal of the Ordinance, noting, there was a need to focus on the real need of the City such as flooding, infrastructure, senior citizen needs, streets, and many other health safety issues of the community. She urged the Council to repeal the ordinance as quickly as possible.

Mr. Faris Hodge, Jr., 140 Dora, spoke against the limitation of three minutes to speak on issues, also addressed discrepancies on the County's voter registration rolls.

Mr. Jack M. Finger, P.O. Box 12048, spoke on the number of signatures submitted to the City Clerk's office, and in opposition to the PGA development agreement.

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Mayor Garza spoke to the process and the final report of the PGA agreement, noting that the citizens of San Antonio had spoken, but the challenge is with it, and applauded the two organizations for their commitment to this issue. He stated that within the next 30 days the City Council will decide on this issue, noting that many felt the intent of the petition was to call an election and others noted that it was to rescind the Ordinance, different intentions or interpretations. He added that he would respect the process. He spoke of the criticisms of the process, and acknowledged that staff had done an excellent job considering the time constraints. He stated there was a need to identify the problems, and focus on commitment to address ways to avoid any bumps along the way, as it relates to the petition process, and to possibly address in the next Charter election. He noted the options available, whether to call for an election or to rescind the current proposal. He commented that in the past few weeks, there have been negotiations for a better agreement, several hours were dedicated to try and make the development agreement even better. He stated that through hard work of Council the agreement is better, noting it would be good for the city and the environment. He further stated that the question was on what would be the next step - rescind the agreement, or call an election. He acknowledged there would be great debate on this issue, noting that the intent of the petition process was to move with dialogue and debate. He stated he would confer with Council colleagues for their thoughts on whether to move with the election. He noted he respects the process and the voters of the community, noting there were two choices, an election or rescind the ordinance. He stated that bringing PGA to San Antonio is important, and will continue to work on the next few weeks. He urged LIC to come to the table to discuss this issue further while noting that official action will take place the early part of August. The challenge is to move forward and to provide tangible results for the City.

Councilman Castro, first thanked the City Clerk's Office for the dedication to this effort with their limited data and resources, noting that it should be addressed in the Charter amendments to allow more time on the verification process. He noted the population was much higher than in 1951 when the charter was first established. He further congratulated the petition signers for the wonderful example of the democratic process, and concurred with the Mayor that this issue should be on a vote of the people, and should allow full expression of the citizens of San Antonio. He stated that overall it was a learning experience for the City, and that there was a need to look at the issue with

regard to locations allowed for petitioners to collect signatures. He spoke of the voting and voter registration process, and the need for a more reliable system of registration, as it was one of the most fundamental rights of the citizens, and marveled that there is not yet an accurate system for registering voters. He spoke of the debate these past weeks, noting the City is interested in having the PGA in San Antonio, however the location should be reconsidered. He stated that within the next 30 days a decision would be made regarding the election.

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2002-27 The Clerk read a proposed ordinance authorizing the negotiation and execution of an Interlocal Agreement in accordance with the Interlocal Cooperation Act for the installation and maintenance of advertising bus stop shelters between VIA Metropolitan Transit, a political subdivision of the State of Texas, and the City of San Antonio, a Texas Municipal Corporation; as requested by the Intergovernmental Relations Committee.

Councilman Perez made a motion to approve the proposed ordinance. Councilman Barrera seconded the motion.

Mr. Florencio Pena, Assistant Director of Development Services stated that due to some issues that needed to be resolved the proposed ordinance should be considered until August 1, 2002.

After discussion, Councilman Perez made a substitute motion to postpone action until August 1, 2002, noting that this issue would be forwarded to the Intergovernmental Committee. He concurred there were some issues to be resolved. Councilman Carpenter seconded the motion.

The substitute motion to postpone this item, prevailed by the following vote: **AYES:** Perez, Sanders, Moorhouse, Barrera, Castro, Conner, Schubert, Carpenter, Garza. **NAYS:** None. **ABSENT:** Martin, Garcia.

The main motion as substituted, prevailed by the following vote: **AYES:** Perez, Sanders, Moorhouse, Barrera, Conner, Schubert, Carpenter, Garza. **NAYS:** None. **ABSENT:** Martin, Garcia, Castro.

2002-27 The Clerk read the following Ordinance:

AN ORDINANCE

RATIFYING ALL ACTIONS PREVIOUSLY UNDERTAKEN IN TERMINATING PROJECT DOCUMENTS WITH SHERATON RIVERWALK, L.P., FOR THE DEVELOPMENT AND OPERATION OF A CONVENTION HEADQUARTERS HOTEL ADJACENT TO THE HENRY B. GONZALEZ CONVENTION CENTER.

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Councilman Perez made a motion to approve the proposed Ordinance. Councilman Sanders seconded the motion.

Mr. Chris Brady, Assistant City Manager, explained the proposed action that would authorize termination of the Tax Phase-In Agreement between the City of San Antonio and Sheraton Riverwalk Hotel in conjunction with the Convention Headquarters Hotel Project.

The following citizen(s) appeared to speak:

Mr. Rob Wackraw, stated they had worked very hard in securing the financial support and was disappointed that the extension proposal was not accepted. He stated he would remain totally committed to San Antonio, and would look forward to participating in a future RFP. He added that he would like to clear some misconceptions, and delineated some issues, which had been occurring and adversely affecting the hotel investments.

Mr. James Isaman, spoke to the Sheraton negotiation, the livable wage, and spoke against the subsidization of projects like the resort hotel by the City.

Mr. Jack M. Finger, P.O. Box 12048, spoke with regard to the campaign contributions received by City Council, and spoke against tax abatements.

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Mayor Garza stated he was disappointed that the item was placed today, and of the need to look for new ideas and energy whether it came from Sheraton or any other hotels. He

spoke on the competitive process, noting it was disappointing to have to terminate this item. He stated this was an important project in San Antonio for the tourism industry.

Councilman Perez spoke of the time frame of this particular project, noting the time invested as well as monies invested toward the agreement. He expressed concern on the County's unavailability to support the tax phase-in of this project, and stated he could not support any continuance or extension.

In response to Councilman Schubert with regard to the extension and its associated costs, Mr. Chris Brady, Assistant City Manager, stated that it was \$1.8 million. With regard to the propriety information, he stated the design package would be maintained, however environmental issues, and financing would need to be recreated. He added that the timeframe for the RFP was the end of the month, and that it should be submitted by October. He stated that information was being sent out and noting that the City was participating to some extent. Mr. Brady further spoke on the financing and investments, and the RFP process.

Mr. Andrew Martin, City Attorney spoke to the legal requirements and the RFP process, noting the City would not have any legal impediments.

As requested by Councilwoman Moorhouse, Mr. Brady read the letter from the Commissioners Court, a copy of which is on file with the papers of this meeting. Mr. Brady further noted that the attorneys were working on the final details of the termination of agreement.

In response to Councilman Sanders regarding the deadlines, Mr. Brady stated there had been three since November 1, 2001 with the final direction from City Council to terminate the agreement.

Councilwoman Conner spoke of the monies invested, and stated she could not support the vote to terminate the agreement.

Mayor Garza noted that the City has been flexible, and that the City needed to move forward for the benefit of everyone involved with the project. He stated that by extending the agreement, this would become an issue of good faith and competitiveness.

Councilman Carpenter concurred with Councilwoman Conner, noting the large investment already made by the City.

Councilman Perez stated there was no value to the intellectual property, noting that if a new hotel came in, there would be no dollar value to the information. He stated that the

living wage did not apply to this development and was also not related to the tax abatement. He added that if Sheraton chose to come back and compete, they would have to compete with other hotel owners, in efforts to acquire the best deal for the City. He stated that the extension would not benefit the City.

In response to Councilwoman Moorhouse, Mr. Brady stated that \$1.8 million have been expended since the beginning of the process, exclusive of staff time.

Discussion continued on the tax abatement and the investment by the City, and the new RFP process.

Councilwoman Moorhouse made a substitute motion to postpone this item to August 1, 2002 and continue with the RFP process. Mr. Perez seconded the motion.

The substitute motion to postpone this item, prevailed by the following vote: **AYES:** Perez, Sanders, Moorhouse, Barrera, Conner, Schubert, Carpenter, Garza. **NAYS:** None. **ABSENT:** Martin, Garcia, Castro.

The main motion as substituted, prevailed by the following vote: **AYES:** Perez, Sanders, Moorhouse, Barrera, Conner, Schubert, Carpenter, Garza. **NAYS:** None. **ABSENT:** Martin, Garcia, Castro.

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2002-27 The Clerk read the following Ordinance:

AN ORDINANCE 96064

AUTHORIZING THE CITY ATTORNEY TO COMPROMISE AND SETTLE CAUSE NO. 2000-CI-04602, STYLED FARMCO TRUST, ET AL, V. CITY OF SAN ANTONIO AND CAUSE NO. 2000-CI-17663, STYLED R. BROOKS HARDEE, ET AL, V. CITY OF SAN ANTONIO, ET AL, FOR THE AMOUNT OF \$2,250,000.00 AND THE DONATION BY THE PLAINTIFFS OF CERTAIN PROPERTY ON OR NEAR SALADO CREEK TO THE CITY.

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Councilman Perez a motion to approve the proposed Ordinance. Councilwoman Moorhouse seconded the motion.

Mr. Michael Hodge, Deputy City Attorney, explained the proposed settlement of two lawsuits in the amount of \$2.25 million. He outlined the background on the Farmco Lawsuit and Brooks Hardee Lawsuit, analysis of the claims and the settlement discussions.

After consideration, the motion, carrying with it the passage of the Ordinance, prevailed by the following vote: **AYES:** Perez, Sanders, Barrera, Schubert, Carpenter, Garza. **NAYS:** None. **ABSENT:** Moorhouse, Martin, Garcia, Castro, Conner.

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2002-27 CITY MANAGER'S REPORT

Assistant Fire Chief Mike Miller narrated a slide presentation on the 2002 flood, a copy of which presentation is on file with the papers of this meeting. He outlined the costs associated with infrastructure damages, details of the flood, flood response by fire and police, primary areas of damage, noting that 280 homes in the San Antonio area were reported damaged with a loss of over \$2,000,000. He further delineated the damages and costs with City infrastructure, City utilities, area schools, and the recovery phases, and a preliminary cost summary for the City of San Antonio.

He noted that the City was still in the process of assessment, and that those numbers would be increased. He added on the recovery assistance located at three locations, and the number of households and individuals assisted.

Mayor Garza commended Chief Miller and the Emergency Operations Center and all City staff for their work and support in this effort, specifically the cost assessment, and added that efforts will continue to focus on repair. He also acknowledged County officials and other entities for their joint efforts and support.

City Manager Brechtel, stated that authorization will be made to Bexar Appraisal District in order to reappraise the properties affected with the flood damage.

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2002-27 There being no further business to come before the City Council, the meeting was adjourned at 4:30 P.M.

A P P R O V E D



EDWARD D. GARZA
M A Y O R

Attest:



NORMA S. RODRIGUEZ, CMC/AE
City Clerk