

**STATE OF TEXAS
COUNTY OF BEXAR
CITY OF SAN ANTONIO**

A WORK SESSION AND REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF SAN ANTONIO WERE HELD IN THE MUNICIPAL PLAZA BUILDING, WEDNESDAY, JUNE 13, 2012, AND JUNE 14, 2012, RESPECTIVELY.

The San Antonio City Council convened in a Work Session at 2:00 pm Wednesday, **June 13, 2012**, Municipal Plaza Building, with the following Councilmembers present: Bernal, Taylor, Ozuna, Lopez, C. Medina, Williams, Chan, Soules, and Mayor Castro. **ABSENT:** Saldaña and D. Medina. Mrs. Vacek announced that Councilmember Saldaña was out of the city on business.

1. BRIEFING ON THE CENTER CITY IMPLEMENTATION PLAN AND THE CENTER CITY HOUSING INCENTIVE POLICY.

Deputy City Manager Pat DiGiovanni presented on the Center City Implementation Plan and Center City Housing Incentive Policy. He spoke of the Downtown Assessment that was conducted in 2007 and reported that an International Downtown Association Panel was created to review the results and provide input. He stated that Centro Partnership San Antonio was approved by the City Council in July 2010 and is a public/private partnership. He added that SA2020's Vision for Downtown is that it be the heart of the city and will be everyone's neighborhood.

Mr. DiGiovanni indicated that a public process was utilized for the Downtown Strategic Framework and that the consensus was to support tourism, increase residential areas, and improve amenities in the area. He reported that recommendations for the Framework Plan include creating a welcoming public realm through streets, sidewalks, accessible parking, and open space. He stated that a Housing First Strategy should be implemented in which 7,500 Housing Units be created by 2020. He mentioned that a Housing First Strategy would increase disposable income and attract young people Downtown. He provided examples of the Housing First Strategies implemented in the Cities of Dallas, Houston, Lower Manhattan, and San Diego and highlighted their successes.

Mr. DiGiovanni outlined the target growth areas that include: River North-Midtown Brackenridge; Urban Core; HemisFair/Cesar Chavez; Near River South; Near West Side; Civic Core; Medical District; and Near East Side. He reported that the Center City Implementation Plan recommendations were to increase public investment and align economic development functions. Additionally, it would be important to improve the regulation of development and create a Housing Finance Strategy. He noted that the Housing Finance Strategy would focus on the disposition of public land and that Centro Partnership would create a Strategic Housing Fund. He added that the city must offer predictable tax incentives and investments.

Mr. DiGiovanni provided an overview of the current Center City Housing Incentive Policy in which a proforma review and gap analysis is conducted. He stated that thereafter, an analysis of the Incentive Toolkit is performed and staff negotiates with the developer. He reported that this has resulted in 1,537 housing units and \$257 million in private investment. He spoke of the importance of a predictable incentive system, noting that infill development is challenging. He indicated that a predictable incentive system would assist in normalizing land values and reduce the risk for developers. He outlined the eligibility requirements of the Center City Housing Incentive Policy: 1) Multi-family housing unit for

sale or rental; and 2) Must be within the Inner City Reinvestment Infill Policy (ICRIP) Target Area. He noted that the goals and objectives of the policy are to promote historic rehabilitation, Brownfields Redevelopment, and good urban design.

Mr. DiGiovanni reported that the new recommended incentives include fee waivers, real property tax reimbursement grants, Inner City Incentive Fund Loans, and Mixed Use Development Forgivable Loans. He stated that there would be no cash grants provided and outlined the incentive tiers based on location. He noted that certain city fees are waived as outlined in the ICRIP and that SAWS Impact Fee Waivers would be provided on all housing projects within the ICRIP. He outlined the eligible categories for the Inner City Incentive Fund Loan and highlighted the loan amounts based on their location. He mentioned that loan terms were contingent upon funding availability. He stated that the Mixed Use Forgivable Loans would be provided at \$20 per square foot of retail space and \$10 per square foot of commercial office space. He added that 20% of the loan would be forgiven every year for five years if the space is leased out and if improvements are completed.

Mr. DiGiovanni stated that Centro Partnership would initiate a housing study every three years to conduct an inventory, monitor rates, and identify policy adjustments as necessary. He noted that the Center City Development Office would process the Center City Housing Incentive Policy applications and agreements and initiate marketing efforts. He indicated that the Economic Development Department would be responsible for monitoring the agreements.

Mayor Castro thanked staff for the presentation. He stated that there was a good balance between providing certainty and offering more latitude on a case-by-case basis. He noted the tremendous amount of investment that is already occurring in the urban core. He spoke of the high cost of land in the Downtown Area and the great need for incentives.

Councilmember Bernal stated that the focus should be on an urban core redevelopment that includes housing rather than a "Housing First" Strategy. He spoke of the challenges related to land values in the Downtown Area and indicated that it has been a barrier to greater development. He asked of the normalizing of land values. Mr. DiGiovanni spoke of a previous project that had not moved forward due to the high cost of the land and stated that hotel projects were not being incentivized. He noted that housing was being incented at a certain level and would help make land prices more affordable for this type of development. Councilmember Bernal asked of the affordable housing component. Mr. DiGiovanni stated that affordable housing was not an issue in the Center City but would like to be proactive with new developments. Councilmember Bernal spoke of the potential to review the policy in the future and make adjustments. Mr. DiGiovanni confirmed that there would be an opportunity to amend the policy in the future. Councilmember Bernal stated that he was pleased with the bonuses that would be provided for structured parking and low-impact development.

Councilmember Taylor stated that she was excited to see a policy adopted that would help shape the look of the inner city. She asked of the definition of multi-family. Mr. DiGiovanni replied that it would include smaller projects with two to three units, as well as larger projects with 300-400 units that are for sale or rent. Councilmember Taylor asked of the design. Mr. DiGiovanni stated that a consultant would be hired to develop good urban design guidelines. Councilmember Taylor recommended that Planning and Development Services Department Staff become more familiar with these types of projects that are not standard development projects. Mr. DiGiovanni replied that there was a Task Force reviewing the Unified Development Code and would make recommendations.

Councilmember Chan confirmed that the cap would be removed on the SAWS Fee Waivers and noted that the City Council would have to approve rate increases. Mr. DiGiovanni confirmed same. Councilmember Chan asked if there would be an annual review of the developments. Mr. DiGiovanni replied that the Economic Development Department would monitor each agreement. Councilmember Chan referenced Slide 22 and asked of the tiers. Mr. DiGiovanni replied that tiers would be utilized for the Inner City Incentive Fund Loans and were higher for the urban core. Councilmember Chan asked of the difference between the tiers. Mr. DiGiovanni replied that they believed that the figures would help reach the goal of adding 7,500 housing units by 2020. Councilmember Chan asked of the mixed-use forgivable loan. Mr. DiGiovanni spoke of the Mosaic Housing Project which includes housing and retail and explained that loan amounts would depend on whether they were retail or commercial office space. Councilmember Chan asked of a comparison to the Land Bank Program. Mr. DiGiovanni stated that the Land Bank is dedicated to infill, single-family housing for three Council Districts. He noted that the Center City Housing Incentive Policy was focused on multi-family housing within the four tiers established in the inner city.

Councilmember Lopez asked of the population being targeted to purchase the homes. Mr. DiGiovanni replied that they were targeting young professionals and empty nesters. He stated that they were working with the development community to market the area. Councilmember Lopez spoke of the city's investment in the Land Bank Program and stated that it was important to make great education available in the Downtown Area to encourage revitalization.

Councilmember Williams stated that he was pleased that cash incentives were removed from the policy. He referenced Slide 26 and noted that he would like to consider some level of follow-up regarding continuing the policy after three years.

Councilmember Soules requested that staff apply the new Center City Housing Incentive Policy to previously approved projects. Mr. DiGiovanni replied that they would provide that information to the City Council and noted that they had compared two recent housing projects utilizing the current and future policies. Councilmember Soules asked of the consultant that would be hired. Mr. DiGiovanni replied that a consultant would be hired to create urban design guidelines. Councilmember Soules requested that the City Council have input prior to the release of a Request for Proposals for the consultant.

Councilmember C. Medina stated that there should be a balance of development for the Downtown Area and asked of the student housing component. Mr. DiGiovanni replied that there was a study in progress regarding the demand for student housing in the Downtown Area that would be completed within one month.

Mayor Castro thanked staff for the presentation.

2. STAFF WILL PRESENT A PROPOSED LOCAL PREFERENCE PROGRAM REGARDING THE CITY'S PROCUREMENT PROCESS.

Ben Gorzell, Chief Financial Officer presented the proposed Local Preference Program. He reported that during the last Legislative Session, the Texas Legislature adopted a revision to the law that allows cities to grant contracting preferences to local businesses when price solely determines the winning bid. He noted that "Local" is defined as a bidder whose principal place of business is within the city. Mr. Gorzell explained that under the new statute, the city may award contracts to local bidders as follows: 1)

For personal property if their bid is within 5% of the lowest non-local bidder for contracts under \$500,000 or within 3% of the lowest non-local bidder for contracts over \$500,000; 2) For non-professional services if their bid is within 5% of the lowest non-local bidder for contracts under \$500,000; and 3) For construction contracts if their bid is within 5% of the lowest non-local bidder for contract under \$100,000. He reported that the city only executed three construction contracts under \$100,000 last year. He explained that certain types of professional service contracts must be selected on demonstrated competence and qualifications and not on the bases of competitive bids. He added that a local preference may be applied to other discretionary solicitations for services not governed by statute.

Mr. Gorzell defined "Local Business" as a business headquartered in the city or must meet the following conditions: 1) An established place of business for at least one year in the incorporated limits of the city; 2) Have at least 20% of its full-time, part-time, and contract employees regularly based or a minimum of 100 employees; 3) Have a substantial role in the business' performance if a commercially useful function or a substantial part of its operations is conducted. He noted that businesses would self-report the information. He outlined the applicability for local preference for Goods/Supplies; Non-Professional Services; and Construction Contracts. He indicated that for purchases of goods and non-professional services under \$50,000; no local preference would be applied due to its significant administrative impact.

Mr. Gorzell explained that for professional services governed by Statute and alternative delivery construction methods, the current practice provides a preference of up to 10 points for knowledge of local conditions. He stated that criteria was included in all CIMS Discretionary Solicitations and weighting was determined by the CIMS Director and City Engineer based upon scope of services, required competencies, and availability. He noted that staff proposes awarding up to 10 points to local bidders in discretionary solicitations for professional service contracts for which a local preference may be applied for businesses headquartered in San Antonio. He added that five points would be awarded to bidders from which at least 20% of its full-time, part-time, and contract employees are regularly based in the city or have a minimum of 100 employees in the incorporated limits of the city.

Mr. Gorzell reported that the Proposed Local Preference Program would not apply to federally funded programs or to the purchase of telecommunication or information services. Additionally, it would not apply when the City Council determines that it would be in the best interest of the city or to low bid construction contracts over \$100,000. He added that the program is supported by the new change in the Statute for circumstances where price alone determines the winning bid and is consistent with the City Council goal of promoting San Antonio Local Businesses.

Mayor Castro thanked staff for the presentation and stated that it was important to strike a good balance between rewarding local companies and finding the best value for the city.

Councilmember Soules asked of the number of local contracts awarded last year for goods and supplies from the 164 contracts awarded and the 159 contracts awarded for non-professional services. Mr. Gorzell replied that they did not have a way to track that information based on today's definition of "Local Business." He noted that they would track it in the future and provide data to the City Council. Councilmember Soules stated that he supports local preference but does not want to deter out-of-town bidders from bidding.

Councilmember Lopez asked of the range of 3-5%. Mr. Gorzell replied that the percentages of within 3-5% were allowed by the new Statute. He stated that staff recommended that local preference be applied

within 3% of the lowest non-local bidder. Councilmember Lopez asked if staff could ask a local bidder to lower their bid. Mr. Gorzell replied no as it is not a legal option.

Mayor Castro thanked staff for the presentation.

EXECUTIVE SESSION

Mayor Castro recessed the meeting at 3:50 pm to convene in Executive Session for the purposes of:

- A. DELIBERATE THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY AND DISCUSS RELATED LEGAL ISSUES PURSUANT TO TEXAS GOVERNMENT CODE SECTIONS 551.072 (REAL PROPERTY) AND 551.071 (CONSULTATION WITH ATTORNEY).**
- B. DELIBERATIONS REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS AND DISCUSS RELATED LEGAL ISSUES PURSUANT TO TEXAS GOVERNMENT CODE SECTIONS 551.087 (ECONOMIC DEVELOPMENT) AND 551.071 (CONSULTATION WITH ATTORNEY).**

CITIZENS TO BE HEARD

Mayor Castro reconvened the meeting at 6:00 pm at which time it was noted that the City Council had been briefed on the above-styled matters but took no action. He called upon the individuals registered to speak.

Nazirite Ruben Flores Perez spoke in support of women's rights and stated that women were equal to men. He referenced the issues occurring at Temple Beth-El and noted that men lying with men and women lying with women were against the Holy Scriptures.

Mark Kellman stated that he was an Architect and spoke of the discussions that have occurred regarding the River North TIRZ. He mentioned the urbanization occurring in Sao Paulo, Brazil and provided a handout depicting same. He noted that it was a high density situation and highlighted the importance of connecting one building to another. He added that he would not like for this situation to occur in San Antonio.

James Rodarte addressed the City Council and provided an article from the Express News entitled, "Shale boom has rails rolling at Port SA." He expressed concern with the increase in trains at Zarzamora and Frio City Road noting that there are already too many trains traveling in the area that cause great traffic delays. He requested assistance from the City Council to fund an overpass or underpass for the area.

Madeline Guyer addressed the City Council and spoke of her concerns related to the \$5 million incentive package for the redevelopment of the former Big Tex Site. She asked if the Environmental Protection Act (EPA) fine to the property owner for clean-up of the site had been paid and if the incentive packet would be used for payment. She stated that there was a full EPA Report of the findings at the Big Tex Site and asked if city staff had reviewed same prior to making recommendations on the project. She added that there could be additional clean-up due to an old railway line and expressed concern that the property was located adjacent to the San Antonio River.

Maria Fernandez, Diana Molina and Lourdes Galvan representing the College VISTA Program addressed the City Council. Ms. Fernandez stated that the program was a small college prep program operating over the last six years in various facilities including the Guadalupe Street Coffee House and Huantes Learning Center. She thanked several City Councilmembers who provided funding for scholarships. She reported that the Class of 2007 had graduated and all had received good jobs. Victoria Molina stated that she was a student of the program and was graduating from high school and would be attending Texas A&M University in the Fall. She thanked the City Council for the funding that provided her with a scholarship. Adelita Becerra stated that she was a freshman at Lanier High School and that the College VISTA Program was helping her decide which university she should attend. Jose Estrada stated that he graduated from Memorial High School and would be attending Texas A&M University in the Fall. He thanked the College VISTA Program and the City Council for helping him attend college. Ashley Morales stated that she attends San Antonio College and had participated in the College VISTA Program for four years. She thanked the City Council for their support. Quattely Rojas stated that he graduated from Alamo Heights High School and would be attending Texas Tech University. He spoke of the importance of investing in education and thanked the City Council for their support. Lourdes Galvan addressed the City Council and commended Ms. Fernandez for her work as CEO of the College VISTA Program noting that she does not get paid. She thanked the many partners of the program including CPS Energy who donated computers for their first Internet Café on the Westside. She asked all of the City Council to consider funding their program in the future and added that the program serves the entire city.

Betty Eckert stated that she hopes that the City Council will continue working on senior services for the elderly living in San Antonio and Bexar County. She expressed concern that many seniors in the community do not have food to eat.

George Alejos representing the League of United Latin American Citizens (LULAC) District 15 stated that he was the Affordable Housing Director. He mentioned that there were individuals present from the Stablewood Subdivision in San Antonio and Fair Haven Subdivision in Schertz. He stated that they had requested that the US Department of Justice look into criminal activity being carried out by the homebuilders and read a letter regarding same. He noted that he was concerned that the city continues to give permits to these homebuilders and that the Stablewood Homeowners would never be able to sell their homes since they were built over a former sewer plant.

Henry Rodriguez of LULAC Concilio Zapatista 4383 stated that he concurred with the comments made by Mr. Alejos. He spoke of the previous structural issues with Mirasol Homes and noted that he does not want history to repeat itself. He expressed concern with the large profit margins received by builders. He thanked Mayor Castro for his support of Former Harlandale Superintendent Robert Jacklich.

Janet Ahmad referenced Document Number 92541 that was being falsified by homebuilders for HUD Funding. She noted that there were no checks and balances regarding the Federal Document since it was not being enforced at the local level. She requested that the city adopt the document at the local level and have the builders certify that they are building to the appropriate standards. She stated that the homeowners have no one to turn to and expressed concern that they will not be able to sell their homes.

Lesley Lancon stated that she lives in the Stablewood Subdivision and expressed concern with the health issues that her children have due to living over a previous sewer plant. She noted structural concerns with her home and asked the City Council for their assistance.

Laura Salais stated that she lives in the Stablewood Subdivision and outlined the structural issues with her home. She mentioned that there was mold on the wall, ceiling leaks, and foundation cracks. She added that she would not have bought the home had she known that it was built over a former sewer plant.

Tricia Mattison stated that she had experienced structural issues with her home and she was present to show her support for the residents of the Stablewood Subdivision. She expressed concern with the many builders building faulty homes and the families that are getting sick due to same.

Felix Perez expressed concern that homebuilder DR Horton is hurting homeowners and their families and asked the City Council to hold them accountable.

Gizelle Luevano stated that she lives in the Stablewood Subdivision and spoke of the many cracks throughout her home. She spoke of issues with the doors and windows and asked the City Council for their assistance.

Ken Russell stated that he lives in the Pulte Community in Schertz and believes that the faulty homes should be bought back by the builders.

Sherry Clark stated that she lives in Schertz but is here today to support the Stablewood Homeowners.

Ruben Torrez stated that he lives in the Stablewood Subdivision and expressed concern with the shoddy construction of the homes. He spoke of his family's medical issues and asked the City Council for their assistance.

Helen Tiseth stated that she lives in the Stablewood Subdivision and spoke of the terrible smell in the neighborhood. She expressed concern that the builder had not made them aware that they had purchased a home over a previous sewer plant.

Daniel Hollestelle stated that he was a Disabled Veteran in support of the Stablewood Homeowners. He noted that there should have been full disclosure by the builder when selling the homes and asked that the homes be bought back by the builder.

Charles Sanchez stated that he lives in the Stablewood Subdivision and expressed concern that they are trapped. He indicated that he was a Retired Veteran on a pension and does not have anywhere else to turn for help. He noted that he cannot breathe in his own home and has to leave due to medical issues.

Stanley Mitchell expressed concerns regarding the CPS Energy Solar Energy Program that was being funded by low-income citizens through the higher cost of renewable power. He indicated that he had requested the City Council's assistance in uncovering the high cost to provide wind and solar power and had never received the information. He stated that the Renewables Policy was political, uneconomic, and immoral. He asked why the Deely Power Plant was being retired 14 years before the end of its economic life and expressed concern with the increased electricity cost due to same.

Mark Perez spoke of environmental concerns throughout the community and stated that DPT Laboratories and NuStar Energy were operating without the proper permits. He noted that he has complained about many buildings and that staff has not addressed his concerns.

Lucinda Padilla stated that she is disabled and suffers from mental disabilities. She spoke of her concerns with the lack of access for wheelchairs and scooters to public transportation and noted that she had worked with Judy Babbitt of the City's Disability Office. She indicated that she had been run over due to a bus stop that was not in place in the Eisenhower Area.

DeAnna Harris stated that she lives in the Stablewood Subdivision and spoke of the issues with her home. She indicated that there were cracks in her ceiling and walls and that the door frames in her home are broken. She noted that she and her children suffer from allergies and expressed concern that she cannot sell her home.

Esmeralda Perez stated that she lives in the Stablewood Subdivision and expressed concern that DR Horton did not disclose the fact that the homes were built over a sewer plant. She spoke of the illnesses that her children suffer from and the terrible smell in the neighborhood. She asked that DR Horton be held accountable and asked the City Council for their assistance.

Faris Hodge, Jr. submitted written testimony requesting that the Citizens to be Heard portion of the City Council Meeting be televised. He wrote that SAWS and BexarMet should consolidate to save money and noted that there is free parking in the Downtown Area on Tuesdays. He wrote of the Southwest Airlines Customer Support Facility that would bring 800 new jobs to the city. He expressed concern that parking would be restricted surrounding the Municipal Court, SAPD, and ITSD Buildings due to construction of a new communications tower. He commended Police Officer Michael Thornton for receiving the Purple Heart Award and being named Officer of the Year. He requested that the Alamodome be named after him.

ADJOURNMENT

There being no further discussion, Mayor Castro adjourned the meeting at 7:37 pm.

The San Antonio City Council convened in a Regular Meeting on Thursday, **June 14, 2012** at 9:00 am in the City Council Chambers.

ROLL CALL

City Clerk Leticia M. Vacek took the Roll Call and noted a quorum of the Council with the following present: Bernal, Taylor, Ozuna, D. Medina, Lopez, C. Medina, Williams, Chan, Soules, and Mayor Castro. **ABSENT:** Saldaña. Mrs. Vacek announced that Councilmember Saldaña was out of the city on business.

Item 1. The Invocation was delivered by Father Will Combs, Assistant Pastor, Saint Mary Magdalen Church, guest of Councilmember Diego Bernal, District 1.

Item 2. Mayor Castro led the Pledge of Allegiance to the Flag of the United States of America.

Item 3. MINUTES

Councilmember Taylor moved to approve the Minutes for the May 9-10, 2012 City Council Meetings. Councilmember Lopez seconded the motion.

The motion prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, D. Medina, Lopez, C. Medina, Williams, Chan, Soules, and Mayor Castro. **NAY:** None. **ABSENT:** Saldaña.

CONSENT AGENDA ITEMS 4-40F

Consent Agenda Items 9, 10, 14, 18, 19, 20A-D, 26, and 37B were pulled for Individual Consideration. Mayor Castro announced that Item 7 was pulled from the agenda by staff.

Councilmember Lopez moved to approve the remaining Consent Agenda Items. Councilmember Bernal seconded the motion.

Mayor Castro called upon Jack M. Finger to speak on the Consent Agenda.

Mr. Jack M. Finger stated that he was opposed to the agreement with Frost National Bank (Item 16) due to the campaign contributions made to the City Council. He spoke in opposition to the cooperative agreement with the Transportation Security Administration (TSA) in Item 21 and referenced concerns with TSA Practices at the Airport. He noted that he was opposed to Public Private Partnerships (Item 24) due to the great amount of power provided to private companies.

Faris Hodge, Jr. submitted written testimony in favor of Items 4, 5, 7-22, 26, 27, 29, 32, 34, 35, 36A, and 36B. He wrote in opposition to Item 6 noting that the city should not be establishing unit prices. He wrote that the city should not be spending so much money for consulting services (Item 23). He expressed concern that back up documents were not provided for Item 24. He wrote in opposition to Items 25, 28, 30, 33, 37A, 37B, 38A, 38B, 39A-E, and 40A-F.

The motion to approve the remaining Consent Agenda Items prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, D. Medina, Lopez, C. Medina, Williams, Chan, Soules, and Mayor Castro. **NAY:** None. **ABSENT:** Saldaña.

2012-06-14-0421

Item 4. AN ORDINANCE AUTHORIZING THE PURCHASE OF AIR MONITORING EQUIPMENT AND PARTS FOR MAINTENANCE FROM HI-Q ENVIRONMENTAL PRODUCTS COMPANY, INC. FOR A TOTAL COST OF \$80,337.75, FUNDED THROUGH A 2010 MEDICAL METROPOLITAN RESPONSE SYSTEMS GRANT.

2012-06-14-0422

Item 5. AN ORDINANCE AUTHORIZING A CONTRACT TO PROVIDE THE SAN ANTONIO METROPOLITAN HEALTH DISTRICT, LABORATORY SERVICES BRANCH WITH ONE BIOMERIEUX VITEK 2 COMPACT SEMI-AUTOMATED MICROBIAL IDENTIFICATION SYSTEM FOR FOOD SURVEILLANCE AND FOOD-BORNE OUTBREAK RESPONSE, FUNDED BY A TEXAS DEPARTMENT OF STATE HEALTH SERVICES PUBLIC HEALTH EMERGENCY PREPAREDNESS GRANT IN THE AMOUNT OF \$56,200.00.

2012-06-14-0423

Item 6. AN ORDINANCE AUTHORIZING THE FOLLOWING CONTRACTS ESTABLISHING UNIT PRICES FOR ANNUAL GOODS AND SERVICES: (A) GRANDE TRUCK CENTER FOR DIFFERENTIAL COMPONENT PARTS AND REBUILT EXCHANGE UNITS, (B) 3M COMPANY FOR HIGH INTENSITY PRISMATIC SIGN SHEETING, (C) TREE WISE MEN FOR TREE AND PALM MAINTENANCE, (D) MARTIN MARIETTA MATERIALS AND VULCAN CONSTRUCTION MATERIAL LP FOR FLEXIBLE BASE AND FLEXIBLE BASE FOR STABILIZATION, (E) BORITEX BUILDING SERVICES, D.C. DISTRIBUTING AND GULF COAST PAPER CO. FOR CUSTODIAL PAPER PRODUCTS, AND (F) US MED WAREHOUSE DBA UNIFIED SERVICE ASSOCIATES FOR JANITORIAL SERVICES AT DETENTION CENTER.

PULLED FROM THE AGENDA BY STAFF

Item 7. AN ORDINANCE AWARDED A CONSTRUCTION CONTRACT WITH BALLENGER CONSTRUCTION CO. IN THE AMOUNT OF \$6,262,358.58 FOR THE RUNWAY 3/21 EXTENSION AND THE AIRFIELD PAVEMENT REPAIRS PROJECT AT THE SAN ANTONIO INTERNATIONAL AIRPORT.

2012-06-14-0424

Item 8. AN ORDINANCE AUTHORIZING THE AMENDMENT OF A PROFESSIONAL SERVICE CONTRACT WITH BEATY PALMER ARCHITECTS, INC., IN THE AMOUNT NOT TO EXCEED \$385,191.00 FOR ALL PHASES OF DESIGN, PRODUCTION OF CONSTRUCTION DOCUMENTS, ESTIMATING COSTS, AND CONSTRUCTION ADMINISTRATION FOR PHASE 4 OF THE RIVER WALK CAPITAL IMPROVEMENTS PROJECT, CERTIFICATES OF OBLIGATION FUNDED PROJECT; AND AMENDING THE CAPITAL IMPROVEMENT BUDGET WITH THE APPROPRIATION OF AN ADDITIONAL \$348,000.00 IN RIVER WALK CAPITAL IMPROVEMENTS FUNDS TO THE RIVER WALK CAPITAL IMPROVEMENTS PROJECT.

2012-06-14-0427

Item 11. AN ORDINANCE AUTHORIZING AN AMENDMENT IN AN INCREASED AMOUNT NOT TO EXCEED \$140,870.00 TO A PROFESSIONAL SERVICES AGREEMENT WITH TETRA TECH FOR PROVIDING ADDITIONAL DESIGN SERVICES FOR THE FORT SAM HOUSTON TRANSPORTATION PROJECT, A PREVIOUSLY AUTHORIZED 2007 GENERAL OBLIGATION BOND FUNDED PROJECT, LOCATED IN COUNCIL DISTRICT 2.

2012-06-14-0428

Item 12. AN ORDINANCE AUTHORIZING THE NEGOTIATION AND EXECUTION OF DESIGN/BUILD SERVICES AGREEMENT TO BYRNE CONSTRUCTION SERVICES, IN AN AMOUNT NOT-TO-EXCEED \$8,450,000.00, FOR THE DESIGN AND CONSTRUCTION IMPROVEMENTS TO REHABILITATE THE HISTORIC PLAZA DE ARMAS BUILDING, LOCATED IN COUNCIL DISTRICT 1; AND, AMENDING THE CAPITAL IMPROVEMENT

BUDGET WITH THE APPROPRIATION OF AN ADDITIONAL \$2,574,826.00 IN PUBLIC EDUCATION GOVERNMENT FUNDS TO THE PLAZA DE ARMAS PROJECT.

2012-06-14-0429

Item 13. AN ORDINANCE AUTHORIZING THE EXECUTION OF A JOB ORDER CONTRACT IN AN AMOUNT NOT TO EXCEED \$111,772.18 PAYABLE TO F.A. NUNNELLY COMPANY IN HOUSING AND URBAN DEVELOPMENT 108 FUNDS FOR THE FRANK GARRETT COMMUNITY CENTER FACILITY IMPROVEMENT PROJECT, LOCATED IN COUNCIL DISTRICT 1.

2012-06-14-0431

Item 15. AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE LEASE AGREEMENT WITH AM HANGER, LLC TO EXTEND THE LEASE TERM TO JANUARY 31, 2018 AT THE SAN ANTONIO INTERNATIONAL AIRPORT.

2012-06-14-0432

Item 16. AN ORDINANCE AUTHORIZING THE EXECUTION OF AN EXTENSION AND AMENDMENT OF LEASE AGREEMENT BETWEEN THE CITY OF SAN ANTONIO AND THE FROST NATIONAL BANK FOR THE CONTINUED USE BY THE ECONOMIC DEVELOPMENT DEPARTMENT OF 16,460 SQUARE FEET OF OFFICE SPACE LOCATED AT 100 WEST HOUSTON STREET FOR A TERM OF THREE YEARS ENDING JUNE 30, 2015 FOR THE MONTHLY RENTAL AMOUNT OF \$24,552.83 DURING THE FIRST YEAR, ESCALATING TO \$26,061.67 MONTHLY DURING THE THIRD YEAR.

2012-06-14-0433

Item 17. AN ORDINANCE AUTHORIZING THE ISSUANCE OF A JOB ORDER CONTRACT IN AN AMOUNT UP TO \$275,830.67 WITH F.A. NUNNELLY CO., FOR THE REPLACEMENT OF HEATING, VENTILATION AND AIR-CONDITIONING UNITS TO IMPROVE ENERGY EFFICIENCY OF EIGHT CITY-OWNED FACILITIES, FUNDED BY THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT PROGRAM AND THE CITY OF SAN ANTONIO ENERGY EFFICIENCY FUND.

2012-06-14-0435

Item 21. AN ORDINANCE AUTHORIZING THE CONTINUATION OF A COOPERATIVE AGREEMENT WITH THE TRANSPORTATION SECURITY ADMINISTRATION FOR CONTINUED LAW ENFORCEMENT OFFICER SUPPORT AT TERMINAL CHECKPOINTS AT SAN ANTONIO INTERNATIONAL AIRPORT.

2012-06-14-0436

Item 22. AN ORDINANCE AWARDDING A FIVE-YEAR CONCESSION CONTRACT TO NEWZOOM, INC. FOR RETAIL VENDING MACHINES LOCATED AT THE SAN ANTONIO INTERNATIONAL AIRPORT.

2012-06-14-0437

Item 23. AN ORDINANCE AUTHORIZING THE NEGOTIATION AND EXECUTION OF FOUR ON-CALL NATIONAL ENVIRONMENTAL POLICY ACT ENVIRONMENTAL CONSULTING SERVICES AGREEMENTS WITH AECOM, ADAMS ENVIRONMENTAL, INC., ATKINS, AND POZNECKI-CAMARILLO, INC. EACH IN AN AMOUNT NOT TO EXCEED A TOTAL OF \$2,400,000, OR \$600,000.00 PER CONTRACT PER CONTRACT TERM, TO PROVIDE AS-NEEDED ENVIRONMENTAL CONSULTING SERVICES FOR CITY PROJECTS IN CONNECTION WITH CITY IMPROVEMENTS AND TRANSPORTATION RELATED PROJECTS.

2012-06-14-0018R

Item 24. A RESOLUTION SUPPORTING PUBLIC PRIVATE PARTNERSHIPS IN ACCORDANCE WITH CHAPTER 2267 OF THE TEXAS GOVERNMENT CODE AND AUTHORIZING THE CITY OF SAN ANTONIO TO PARTICIPATE IN SUCH PARTNERSHIPS.

2012-06-14-0438

Item 25. AN ORDINANCE AUTHORIZING AN ECONOMIC DEVELOPMENT PROGRAM GRANT AGREEMENT FOR UP TO \$407,736.56 WITH 1101 BROADWAY, LP. AND THE RIVER NORTH TAX INCREMENT REINVESTMENT ZONE (TIRZ) BOARD FOR 203 E. JONES AVENUE, A \$4,031,037.00 COMMERCIAL REDEVELOPMENT PROJECT, LOCATED IN COUNCIL DISTRICT 2.

2012-06-14-0440

Item 27. AN ORDINANCE APPROVING AN ECONOMIC DEVELOPMENT PROGRAM GRANT AGREEMENT FOR UP TO \$2,911,645.00 WITH EMBREY PARTNERS, LTD AND THE MIDTOWN TAX INCREMENT REINVESTMENT ZONE BOARD AND A SAWS IMPACT FEE WAIVER FOR UP TO \$400,000.00 FOR THE RESIDENCES AT BRACKENRIDGE HILL, A \$32,727,319.00 MULTI-FAMILY PROJECT LOCATED IN COUNCIL DISTRICT 2.

2012-06-14-0441

Item 28. AN ORDINANCE AMENDING THE COMMUNITY ARTS ACCESS FUNDING GUIDELINES TO GIVE CITY DEPARTMENTS AND COUNCIL OFFICES THE OPPORTUNITY TO INITIATE AND PROVIDE ARTS PROGRAMS AND SERVICES TO RESIDENTS UTILIZING THE ARTIST ROSTER WITHOUT HAVING TO MAKE THE REQUIRED FINANCIAL MATCH IN THE AMOUNT UP TO \$5,000.00 FOR SUCH SERVICES IN EACH COUNCIL DISTRICT.

2012-06-14-0442

Item 29. AN ORDINANCE AUTHORIZING THE NEGOTIATION AND EXECUTION OF A BAILMENT AGREEMENT WITH BOULDER ELECTRIC VEHICLE, INC. FOR THE USE OF THREE ELECTRIC TRUCKS FOR A PILOT PROGRAM WITH AN INITIAL TERM OF ONE YEAR, FUNDED BY THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY THROUGH A NEW TECHNOLOGY RESEARCH AND DEVELOPMENT GRANT.

2012-06-14-0443

Item 30. AN ORDINANCE AUTHORIZING CERTAIN ACTIONS RELATING TO OUTSTANDING OBLIGATIONS DESIGNATED AS "CITY OF SAN ANTONIO, TEXAS HOTEL OCCUPANCY TAX SUBORDINATE LIEN VARIABLE RATE DEMAND REVENUE AND REFUNDING BONDS, SERIES 2008", INCLUDING APPROVING AN AMENDMENT TO THE AMENDED AND RESTATED REIMBURSEMENT AND SECURITY AGREEMENT AND ENACTING OTHER PROVISIONS INCIDENT AND RELATED TO THE SUBJECT AND PURPOSE OF THIS ORDINANCE, AND PROVIDING FOR AN EFFECTIVE DATE.

2012-06-14-0444

Item 31. AN ORDINANCE AUTHORIZING EXECUTION OF AN AUDIT SERVICES CONTRACT WITH PADGETT, STRATEMANN & COMPANY, LLP TO PROVIDE INDEPENDENT AUDIT AND RELATED SERVICES TO THE CITY FOR FISCAL YEARS ENDING SEPTEMBER 30, 2012, 2013, AND 2014, WITH TWO (2) ONE (1) YEAR RENEWAL TERMS FOR FISCAL YEARS ENDING SEPTEMBER 30, 2015 AND 2016 AT THE CITY'S OPTION, FOR A TOTAL FEE NOT TO EXCEED \$3,939,300.00.

2012-06-14-0019R

Item 32. A RESOLUTION AUTHORIZING THE CREATION OF THE CITY OF SAN ANTONIO, TEXAS PUBLIC FACILITIES CORPORATION, PURSUANT TO CHAPTER 303 OF THE LOCAL GOVERNMENT CODE, TO ACT ON BEHALF OF THE CITY; APPROVING THE ARTICLES OF INCORPORATION AND BYLAWS; AND APPOINTING INITIAL DIRECTORS.

2012-06-14-0445

Item 33. AN ORDINANCE AUTHORIZING THE CITY, ON BEHALF AND FOR THE BENEFIT OF THE DISTRICT SPECIAL PROJECT OF THE SAN ANTONIO WATER SYSTEM, TO ESTABLISH A \$100 MILLION FLEXIBLE RATE REVOLVING NOTE PROGRAM FOR THE ISSUANCE FROM TIME TO TIME OF REVENUE NOTES ON AN AS NEEDED BASIS AND TO EXECUTE CONTRACTS AND AGREEMENTS IN CONNECTION THEREWITH.

2012-06-14-0446

Item 34. AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE PREVIOUSLY APPROVED \$561,244.00 OWNER-OCCUPIED HOUSING REHABILITATION AND VACANT LOT INFILL REDEVELOPMENT HISTORIC GARDENS NEIGHBORHOOD CDBG PROJECT TO INCLUDE INFRASTRUCTURE IMPROVEMENTS SUCH AS STREETS, SIDEWALKS, CURBS AND DRIVEWAY APPROACHES.

2012-06-14-0447

Item 35. AN ORDINANCE AUTHORIZING FIRST AMENDMENT TO THE CHAPTER 380 ECONOMIC DEVELOPMENT GRANT AND LOAN AGREEMENT WITH MAUC POINT EAST HOUSING, LP FOR THE E. THURMAN WALKER MULTI-FAMILY SENIOR HOUSING PROJECT.

2012-06-14-0448

Item 36. AN ORDINANCE AUTHORIZING THE EXECUTION OF A FUNDING AGREEMENT WITH CPS ENERGY AND PAYMENT IN AN AMOUNT NOT TO EXCEED \$320,000.00 TO CPS ENERGY FOR THE RECONSTRUCTION OF A RETAINING WALL, LOCATED BETWEEN THE PROPERTIES LOCATED ALONG FEATHER POINT DRIVE AND INDEPENDENCE AVENUE.

Item 37. CONSIDERATION OF THE FOLLOWING ORDINANCES RELATING TO THE BLUE STAR PHASE II PROJECT LOCATED IN COUNCIL DISTRICT 5:

2012-06-14-0449

- A. AN ORDINANCE ESTABLISHING THE BLUE STAR REINVESTMENT ZONE, BOUNDED BY THE PARCELS LOCATED AT 354, 410 AND 415 BLUE STAR, SAN ANTONIO, TEXAS IN COUNCIL DISTRICT 5.

Item 38. CONSIDERATION OF THE FOLLOWING ORDINANCES REGARDING MARUCHAN, INC.:

2012-06-14-0451

- A. AN ORDINANCE DESIGNATING THE MARUCHAN INDUSTRIAL DISTRICT IN THE CITY'S EXTRATERRITORIAL JURISDICTION; APPROVING A FIVE-YEAR NON-ANNEXATION AGREEMENT AND A BASIC FIRE SERVICES AGREEMENT WITH MARUCHAN, INC.

2012-06-14-0452

- B. AN ORDINANCE AUTHORIZING AN ECONOMIC DEVELOPMENT PROGRAM GRANT AGREEMENT WITH MARUCHAN, INC. IN AN AMOUNT NOT TO EXCEED \$2.4 MILLION FOR AN ECONOMIC DEVELOPMENT PROJECT IN THE CITY'S EXTRATERRITORIAL JURISDICTION CONSISTING OF A \$318 MILLION INVESTMENT AND THE CREATION OF 538 FULL-TIME JOBS.

Item 39. CONSIDERATION OF THE FOLLOWING MATTERS IN CONNECTION WITH APPROVING THE FORM, CONTENT AND DISTRIBUTION OF THE PRELIMINARY OFFICIAL STATEMENTS, NOTICE OF INTENT, AND REIMBURSEMENT RESOLUTIONS:

2012-06-14-0020R

- A. THIS RESOLUTION APPROVES THE CITY'S PRELIMINARY OFFICIAL STATEMENT PERTAINING TO THE SALE OF OBLIGATIONS DESIGNATED AS "CITY OF SAN ANTONIO, TEXAS GENERAL IMPROVEMENT BONDS, SERIES 2012" IN A MAXIMUM PRINCIPAL AMOUNT NOT TO EXCEED \$175,000,000; AND "CITY OF SAN ANTONIO, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2012" IN A MAXIMUM PRINCIPAL AMOUNT NOT TO EXCEED \$35,000,000; COMPLIES WITH THE REQUIREMENTS CONTAINED IN THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION'S RULE 15C2-12; AND APPROVES OTHER MATTERS IN CONNECTION THEREWITH.

2012-06-14-0021R

- B. THIS RESOLUTION APPROVES THE CITY'S PRELIMINARY OFFICIAL STATEMENT PERTAINING TO THE SALE OF OBLIGATIONS DESIGNATED AS "CITY OF SAN ANTONIO, TEXAS TAX NOTES, SERIES 2012" IN A MAXIMUM PRINCIPAL AMOUNT NOT TO EXCEED \$20,000,000; COMPLIES WITH THE REQUIREMENTS CONTAINED IN THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION'S RULE 15C2-12; AND APPROVES OTHER MATTERS IN CONNECTION THEREWITH.

2012-06-14-0453

- C. AN ORDINANCE AUTHORIZING AND APPROVING PUBLICATION OF NOTICE OF INTENTION TO ISSUE "CITY OF SAN ANTONIO, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2012" IN A MAXIMUM PRINCIPAL AMOUNT NOT TO EXCEED \$35,000,000; AND PROVIDING FOR AN EFFECTIVE DATE.

2012-06-14-0022R

- D. A RESOLUTION RELATING TO ESTABLISHING THE CITY'S INTENTION TO REIMBURSE ITSELF FOR THE PRIOR LAWFUL EXPENDITURE OF FUNDS FROM THE PROCEEDS OF ONE OR MORE SERIES OF TAX EXEMPT OR TAXABLE OBLIGATIONS TO BE ISSUED BY THE CITY FOR AUTHORIZED PURPOSES AND DESIGNATED AS "CITY OF SAN ANTONIO, TEXAS GENERAL IMPROVEMENT BONDS FROM THE MAY 12, 2012 BOND ELECTION", AS FURTHER DESIGNATED BY SERIES AND FEDERAL TAX TREATMENT; AUTHORIZING OTHER MATTERS INCIDENT AND RELATED THERETO; AND PROVIDING AN EFFECTIVE DATE

2012-06-14-0023R

- E. A RESOLUTION RELATING TO ESTABLISHING THE CITY'S INTENTION TO REIMBURSE ITSELF FOR THE PRIOR LAWFUL EXPENDITURE OF FUNDS FROM THE PROCEEDS OF TAX EXEMPT OBLIGATIONS TO BE ISSUED BY THE CITY FOR AUTHORIZED PURPOSES DESIGNATED AS "CITY OF SAN ANTONIO, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2013", "CITY OF SAN ANTONIO, TEXAS GENERAL IMPROVEMENT BONDS, SERIES 2013", AND "CITY OF SAN ANTONIO, TEXAS TAX NOTES, SERIES 2013"; AUTHORIZING

OTHER MATTERS INCIDENT AND RELATED THERETO; AND PROVIDING AN EFFECTIVE DATE.

Item 40. CONSIDERATION OF THE FOLLOWING ITEMS RELATED TO THE SAN ANTONIO WATER SYSTEM:

2012-06-14-0454

- A. AN ORDINANCE AUTHORIZING THE ISSUANCE OF OBLIGATIONS DESIGNATED AS "CITY OF SAN ANTONIO, TEXAS WATER SYSTEM REVENUE AND REFUNDING BONDS, SERIES 2012A" (THE "SERIES 2012A SENIOR LIEN BONDS"), IN A PRINCIPAL AMOUNT NOT TO EXCEED \$175,000,000.00; AND OTHER FINANCIAL MATTERS NECESSARY TO FUND CAPITAL IMPROVEMENTS.

2012-06-14-0455

- B. AN ORDINANCE AUTHORIZING THE ISSUANCE OF OBLIGATIONS DESIGNATED AS "CITY OF SAN ANTONIO, TEXAS WATER SYSTEM JUNIOR LIEN REVENUE BONDS, SERIES 2012" (THE "SERIES 2012 JUNIOR LIEN REVENUE BONDS") IN APPROXIMATE AMOUNT OF \$19,630,000.00 TO BE SOLD TO THE TEXAS WATER DEVELOPMENT BOARD THROUGH THE CLEAN WATER STATE REVOLVING FUND PROGRAM.

2012-06-14-0024R

- C. A RESOLUTION AUTHORIZING THE SUBMITTAL OF AN APPLICATION REQUESTING FINANCIAL ASSISTANCE FROM THE TEXAS WATER DEVELOPMENT BOARD THROUGH ITS CLEAN WATER STATE REVOLVING FUND LOAN PROGRAM IN AN AMOUNT NOT TO EXCEED \$6,220,000.00 FOR FUNDING OF CERTAIN QUALIFIED WASTEWATER PROJECTS.

2012-06-14-0025R

- D. A RESOLUTION AUTHORIZING THE SUBMITTAL OF AN APPLICATION REQUESTING FINANCIAL ASSISTANCE FROM THE TEXAS WATER DEVELOPMENT BOARD THROUGH ITS CLEAN WATER STATE REVOLVING FUND LOAN PROGRAM IN AN AMOUNT NOT TO EXCEED \$6,220,000.00 FOR FUNDING OF CERTAIN QUALIFIED WASTEWATER PROJECTS.

2012-06-14-0026R

- E. A RESOLUTION AUTHORIZING THE SUBMITTAL OF AN APPLICATION REQUESTING FINANCIAL ASSISTANCE THROUGH TEXAS WATER DEVELOPMENT BOARD'S WATER INFRASTRUCTURE FUND LOAN PROGRAM IN AN AMOUNT NOT TO EXCEED \$50,000,000.00 FOR FUNDING OF THE BRACKISH GROUNDWATER DESALINATION PROJECT.

2012-06-14-0027R

- F. A RESOLUTION ESTABLISHING THE CITY'S INTENTION TO REIMBURSE ITSELF FOR THE PRIOR LAWFUL CAPITAL EXPENDITURE FROM THE PROCEEDS OF TAX EXEMPT OBLIGATIONS NOT TO EXCEED \$50,000,000.00.

[CONSENT ITEMS CONCLUDED]

ITEMS PULLED FOR INDIVIDUAL CONSIDERATION

The City Clerk read the caption for Item 9:

2012-06-14-0425

Item 9. AN ORDINANCE AWARDED A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$1,190,071.00 PAYABLE TO VERTEX CORPORATION, FOR CONSTRUCTION OF THE BITTERS ROAD BULKY WASTE RESIDENTIAL DROP-OFF CENTER PROJECT, A SOLID WASTE MANAGEMENT FUNDED PROJECT, LOCATED IN COUNCIL DISTRICT 9; AND, AMENDING THE CAPITAL IMPROVEMENT BUDGET WITH THE APPROPRIATION OF \$1,569,885.14 IN SOLID WASTE MANAGEMENT OPERATING FUNDS TO THE BITTERS ROAD BULKY WASTE RESIDENTIAL DROP-OFF CENTER PROJECT.

Councilmember Soules requested an overview of the project. Mike Frisbie, CIMS Director reported that the contract would provide for the construction of the Bitter Road Bulky Waste Residential Drop-Off Center. He noted that the convenient location would allow individuals to dump materials at no charge and that the city hoped to address illegal dumping by providing the service. He added that the project would include road access, concrete paving, utilities, and landscaping and was scheduled for completion in September. Councilmember Soules stated that this was a good project that would alleviate illegal dumping throughout the city. Councilmember D. Medina stated that this project would have a great impact city-wide and expressed his support.

Councilmember Soules moved to adopt the proposed Ordinance. Councilmember Chan seconded the motion.

The motion prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, D. Medina, Lopez, C. Medina, Williams, Chan, Soules, and Mayor Castro. **NAY:** None. **ABSENT:** Saldaña.

The City Clerk read the caption for Item 10:

2012-06-14-0426

Item 10. AN ORDINANCE ACCEPTING THE LOWEST RESPONSIVE BID AND AWARDED A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$1,187,000.00 PAYABLE TO HUNTER DEMOLITION & WRECKING CORP. FOR THE ABATEMENT AND DEMOLITION OF THE EXISTING SAN ANTONIO POLICE DEPARTMENT HEADQUARTERS SITE, A CERTIFICATES OF OBLIGATION FUNDED PROJECT, LOCATED IN COUNCIL DISTRICT 1.

Councilmember D. Medina asked of the size of the existing Police Department Headquarters. Mike Frisbie replied that it was a three-story building consisting of 130,000 square feet. He stated that the bid was significantly lower than estimated and that staff had held an administrative hearing with the low

bidder due to same. He indicated that their bid was so low due to the fact that they own their own gravel pit and that they have an aggressive surplus plan. Councilmember D. Medina stated that he was pleased that the city would be saving money and looked forward to the opening of the new Public Safety Headquarters.

Councilmember D. Medina moved to adopt the proposed Ordinance. Councilmember Bernal seconded the motion.

The motion prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, D. Medina, Lopez, C. Medina, Williams, Chan, Soules, and Mayor Castro. **NAY:** None. **ABSENT:** Saldaña.

The City Clerk read the caption for Item 14:

2012-06-14-0430

Item 14. AN ORDINANCE ACCEPTING THE LOWEST QUALIFIED BID AND AWARDING A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$343,500.00 PAYABLE TO CROWNHILL BUILDERS, INC. FOR THE KENNEDY PARK RENOVATION CDBG PROJECT, LOCATED IN CITY COUNCIL DISTRICT 5; AUTHORIZING THE TRANSFER OF \$217,750.00 IN GENERAL FUNDS TO THE PROJECT; AND PROVIDING FOR PAYMENT.

Councilmember D. Medina stated that he was pleased that improvements would be made at Kennedy Park and asked of the scope of work. Xavier Urrutia reported that Americans with Disabilities Act (ADA) improvements would be made to the approaches into the park that are not in compliance. He stated that the bulk of the project would consist of retrofitting a permanent restroom structure. This would make it ADA Compliant and mentioned that a temporary restroom structure would be included.

Councilmember D. Medina moved to adopt the proposed Ordinance. Councilmember Chan seconded the motion.

The motion prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, D. Medina, Lopez, C. Medina, Chan, and Mayor Castro. **NAY:** None. **ABSENT:** Saldaña, Williams, and Soules.

The City Clerk read the caption for Item 18:

2012-06-14-0434

Item 18. AN ORDINANCE AUTHORIZING AN AMENDMENT TO A CONTRACT WITH SAN ANTONIO BIKE SHARE, IN AN INCREASED AMOUNT OF \$27,000.00, FOR A TOTAL CONTRACT VALUE OF \$1,287,746.00, TO PROCURE ADDITIONAL BIKE SHARE BICYCLES, STATIONS, AND RELATED COSTS FUNDED BY THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 THROUGH THE CENTERS FOR DISEASE CONTROL COMMUNITIES PUTTING PREVENTION TO WORK INITIATIVE.

Councilmember C. Medina asked if the additional bicycle stations had been identified. Laurence Doxsey replied that the stations cost \$40,000-50,000 each and that the \$27,000 would be used toward partial payment for one station. He indicated that the current priority was to fill the Downtown Area and further South along the River. Councilmember C. Medina spoke of the potential for bike stations along

Fredericksburg Road near the Deco District that could connect to Woodlawn Lake and St. Mary's University. Mayor Castro added that it was great to celebrate the one-year anniversary of the B-Cycle Program and was pleased with the progress that had been made.

Councilmember C. Medina moved to adopt the proposed Ordinance. Councilmember Lopez seconded the motion.

The motion prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, D. Medina, Lopez, C. Medina, Chan, Soules, and Mayor Castro. **NAY:** None. **ABSENT:** Saldaña and Williams.

The City Clerk read the caption for Item 19:

2012-06-14-0017R

Item 19. A RESOLUTION SUPPORTING THE 2012 TEXAS DEPARTMENT OF AGRICULTURE'S SUMMER FOOD SERVICE PROGRAM.

Mayor Castro highlighted said item and noted that this truly impacts areas of the community that need the services. Xavier Urrutia added that the Summer Food Service Program would begin the following week and serve 5,700 youth. He reported that the city has been participating in the program for over 40 years and provides healthy food for children during the summer when school is not in session. He mentioned that there were over 60 sites throughout the city that would operate through August 17th. Mayor Castro thanked all of the partners involved in the program and stated that he was pleased that youth would receive free meals during the summer.

Councilmember D. Medina moved to approve the Resolution. Councilmember Bernal seconded the motion.

The motion prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, D. Medina, Lopez, C. Medina, Chan, Soules, and Mayor Castro. **NAY:** None. **ABSENT:** Saldaña and Williams.

The City Clerk read the caption for Items 20A-D:

Item 20. CONSIDERATION OF THE FOLLOWING BOARD, COMMISSION AND COMMITTEE APPOINTMENTS FOR THE REMAINDER OF UNEXPIRED TERMS OF OFFICE TO EXPIRE MAY 31, 2013, TO BE EFFECTIVE IMMEDIATELY UPON THE RECEIPT OF EIGHT AFFIRMATIVE VOTES, OR, IN THE EVENT EIGHT AFFIRMATIVE VOTES ARE NOT RECEIVED, TEN DAYS AFTER APPOINTMENT; OR FOR TERMS AND EFFECTIVENESS AS OTHERWISE INDICATED BELOW:

- A. APPOINTING JOHN W. SALMON, JR. (DISTRICT 6) TO THE ETHICS REVIEW BOARD FOR THE REMAINDER OF AN UNEXPIRED TERM OF OFFICE TO EXPIRE APRIL 25, 2014.
- B. APPOINTING SANTOS H. VILLARREAL (DISTRICT 7) TO THE ZONING COMMISSION FOR THE REMAINDER OF AN UNEXPIRED TERM OF OFFICE.

C. APPOINTING FRANK A. QUIJANO (DISTRICT 1) TO THE ZONING BOARD OF ADJUSTMENT.

D. APPOINTING STEVEN GOLDBERG (DISTRICT 8, CATEGORY: TECHNICAL/RESEARCH) TO THE BROOKS DEVELOPMENT AUTHORITY.

Councilmember Lopez recognized John W. Salmon, Jr. on his appointment as the District 6 Representative on the Ethics Review Board. He thanked all of the board and commission members for their service. Councilmember C. Medina added that he was pleased to appoint Santos H. Villarreal to the Zoning Commission and also thanked all of the board and commission members for their service.

Councilmember Lopez moved to approve the appointments as proposed. Councilmember D. Medina seconded the motion.

The motion prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, D. Medina, Lopez, C. Medina, Chan, Soules, and Mayor Castro. **NAY:** None. **ABSENT:** Saldaña and Williams.

The City Clerk read the caption for Item 26:

2012-06-14-0439

Item 26. AN ORDINANCE CREATING THE HOME OWNERSHIP PROGRAM FOR EMPLOYEES (HOPE) AND AUTHORIZING \$240,000.00 FROM THE INNER CITY INCENTIVE FUND.

Councilmember Chan asked of the purpose of the program and how it works. Lori Houston stated that the purpose of the program was to repopulate the inner city and provide an opportunity for city employees to purchase a home in the area. She noted that the program has two tiers and individuals could receive forgivable loans as follows: 1) Up to \$10,000 for the purchase of a home within the Community Revitalization Action Group (CRAG); or 2) Up to \$5,000 for the purchase of a home within the inner city. She indicated that the loan would be forgiven over a five-year period if the employee stays employed with the city. If they break employment within five years, the loan is due immediately. She mentioned that one of the goals was to retain and recruit city employees and that the program was funded from the Inner City Incentive Fund. Councilmember Chan expressed concern that the program was not open to other individuals that were not city employees interested in living Downtown. She noted that the city was a public entity utilizing taxpayer dollars.

Councilmember D. Medina stated that he believed that this is a good program and that it is important to encourage residents to move into the inner city. He confirmed that it was a pilot program and would be reviewed in one year.

Councilmember Bernal stated that he was in support of moving the item forward and that adjustments could be made in the future. He noted that there had been a great response from city employees and spoke of the importance of revitalization of the inner city. He added that he believed that this was a gentle and fair way to improve the neighborhood and hoped that the private sector follows suit.

Councilmember Lopez expressed his support for the program and spoke of the need to improve education in the Downtown Area. Councilmember C. Medina expressed his support for the program and noted that it was a good tool for revitalization. He requested a map of the ICRIP and asked if

District 7 was included. Ms. Houston replied that there was a portion of District 7 located within the ICRIP.

Councilmember Soules stated he was not opposed to the program but believed it needed a little tweaking. He asked if all city employees were eligible for the program. Ms. Houston confirmed that city employees at any income level could qualify for the program. Councilmember Soules asked of the process if an employee terminated their employment. Ms. Houston replied that they would be responsible for paying the loan at a prorated amount depending on the length of time they were employed. Councilmember Soules asked if there was a plan outlined for hardship cases. Ms. Houston replied that they would work on a repayment plan.

Councilmember Taylor stated that employer-assisted housing has been in the revitalization toolbox for many years. She noted that this was a great opportunity for the city to take the lead and hoped other employers will follow suit. She indicated that this was a pilot program and would utilize a relatively small amount of funding. She mentioned that this idea had been discussed in the past but had not moved forward. She added that she did not want to wait any longer and would support the program.

Councilmember Chan stated that she was supportive of the program but concerned with the eligibility component. She asked that the City Council wait one week before approval.

Councilmember Chan moved to continue Item 26 for one week. Councilmember Soules seconded the motion.

The motion failed by the following vote: **AYES:** Williams, Chan, and Soules. **NAYS:** Bernal, Taylor, Ozuna, D. Medina, Lopez, C. Medina, and Mayor Castro. **ABSENT:** Saldaña.

Councilmember D. Medina moved to adopt the proposed Ordinance. Councilmember Bernal seconded the motion.

The motion prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, D. Medina, Lopez, C. Medina, Williams, and Mayor Castro. **NAYS:** Chan and Soules. **ABSENT:** Saldaña.

The City Clerk read the Caption for Item 37B:

2012-06-14-0450

Item 37B. AN ORDINANCE APPROVING AN ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT FOR UP TO \$4,427,718.00 WITH NRP PROPERTIES L.L.C. FOR THE BLUE STAR PHASE II, A \$42,705,845 HOUSING DEVELOPMENT; APPROVING A TIRZ BOUNDARY CHANGE TO REMOVE THE PARCELS LOCATED AT 354, 410 AND 415 BLUE STAR, SAN ANTONIO, TEXAS FROM THE INNER CITY TIRZ CONTINGENT ON TIRZ BOARD APPROVAL; AND APPROVING A SAWS IMPACT FEE WAIVER FOR UP TO \$500,000.00.

Councilmember Chan stated that she could not support the item today as she did not believe that incentives should be provided until the comprehensive Center City Incentive Policy is finalized. She asked for additional information on the project. Lori Houston replied that the NRP Group was a partner in the development and that it was not a mixed-income project. Councilmember Chan asked of the adjacent Cevallos Development and the median income. Dan Markson, Vice President of the NRP

Group replied that the Cevallos Development was owned by the Public Facility Corporation and is 90% income restricted at three different levels of income. Councilmember Chan asked of the federal tax credits. Mr. Markson stated that 25% of the units were under the federal tax credit and were set at 50% of the area median income adjusted for family size. Councilmember Chan asked why this incentive was moving forward prior to finalizing the Center City Incentive Policy. Ms. Houston replied that they had been working on the project since the fall and that it was the first incentive being provided on the new extension of the Mission Reach. She stated that they believed that it would be a great catalyst for future development. She added that it was a Brownfield Site that had been cleared by the Environmental Protection Agency and would help remove urban blight.

Councilmember D. Medina stated that the Blue Star Phase II Project was different than the Cevallos Development as it was a private sector development project. He noted that the Blue Star Phase II Project would have a great impact on the families that live there and would have a ripple effect on the surrounding community. He asked if the project would reap more incentives under the new Center City Incentive Policy. Ms. Houston confirmed that the SAWS Impact Fee Waivers would be greater under the new policy.

Councilmember Soules stated that he was in support of revitalization but expressed concern with the cash incentives. He asked of the gap analysis conducted. Ms. Houston replied that they reviewed the project pro forma and looked for the project to receive an 8% return on cost the first year. She reported that the project had a \$6.3 million market rate gap that the city could not meet but recommended a \$5 million incentive package that would help them achieve a 7.8% return. Councilmember Soules requested to review the pro forma and asked of the loan rate. Mr. Markson replied that it was a 15-year loan with a 30-year amortization rate. Councilmember Soules expressed concern that a long-term, low interest HUD Loan could change the funding gap and could not confirm that this had been factored into the gap analysis.

Councilmember Bernal stated that the development served a greater role than just housing due to its proximity to the river and would help cultivate and improve the area.

Councilmember Chan asked of the developer receiving a different type of loan after the incentive was provided. Ms. Houston replied that the incentive was provided as long as the developer built 320 housing units, 6,000 square feet of commercial space and met the project scope. Pat DiGiovanni added that he believed that the Blue Star Phase II Project could not move forward without the city's incentive package. He confirmed that the developer would not receive a HUD Loan or other federal subsidy.

Mayor Castro commended Councilmember D. Medina for his work on the project and stated that this would be an excellent project for the urban core of the city.

Councilmember D. Medina moved to adopt the proposed Ordinance. Councilmember C. Medina seconded the motion.

The motion prevailed by the following vote: **AYES:** Bernal, Taylor, Ozuna, D. Medina, Lopez, C. Medina, Williams, and Mayor Castro. **NAYS:** Chan and Soules. **ABSENT:** Saldaña.

Item 41. CITY MANAGER'S REPORT

A. AVIATION UPDATE

Ms. Sculley reported on the new non-stop service coming to the San Antonio International Airport in September 2012. She stated that Alaska Airlines was a new airline to San Antonio that would begin direct service to Seattle beginning on September 17th. She indicated that the new service marks the first time Alaska Airlines has served San Antonio and the first time there has been non-stop service linking the two cities. She noted that new non-stop service to Philadelphia would be provided by U.S. Airways beginning on September 5th and that Southwest Airlines would begin new direct service to St. Louis in August. She spoke of the great increase in international travel at the Airport noting that San Antonio hosted the first international flight for Southwest Airlines through its AirTran subsidiary in May. She stated that on May 24, flights for Cancun and Mexico City were initiated with great response. She reported that from October 1, 2011 through April 30, 2012, there were 171,168 passengers compared to 69,716 over the same period in 2011; an increase of over 145%. She thanked the airlines for investing in San Antonio and the residents and business community that access the services.

B. PUBLIC SAFETY ENHANCEMENT (PSE) GRANT

Item 41B was not addressed.

POINT OF PERSONAL PRIVILEGE

Mayor Castro recognized Councilmember Taylor who would be celebrating her birthday on June 17, 2012. The City Council joined in singing Happy Birthday to Councilmember Taylor.

ADJOURNMENT

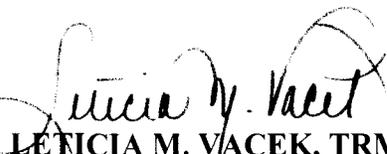
There being no further discussion, Mayor Castro adjourned the meeting at 11:05 am.

APPROVED



**JULIÁN CASTRO
MAYOR**

Attest:



LETICIA M. VACEK, TRMC/MMC
City Clerk