



**Military Transformation Task Force
Meeting Minutes**

A Regular Meeting of the Military Transformation Task Force was held in the Municipal Plaza, Room B, 103 South Main, San Antonio, TX 78205 on Wednesday February 6, 2013 from 11 a.m. to 12 p.m.

MEMBERS:	Col. Chevallier	Leo Gomez	Michael Rowland
Michael Novak	Don Taylor	Mac McCarthy	Robert Murdock
Elisa Chan	George DeCoux	Mark Frye	
Kevin Wolff	Frank Sherman	Melissa Shannon	
STAFF:	Jesus Garza	Sandra Bagwell	
GUESTS:	Ryan Garcia	Todd White	Lisa O'Briant
Malik Jabeir	Brent Boller	Joe Sanchez	Eileen Pace
John Thurman	Michelle Clark	Mike Rowland	

Citizens: None

Call to Order

Mr. Novak called the meeting to order at 11:05 am.

Citizens to be heard

No one signed up to speak.

Review and Approval of Minutes from November 7, 2012

The November 7, 2012 minutes were unanimously approved.

Administrative Business

MTTF/Office of Military Affairs Completed Actions (Mr. Robert Murdock, City of San Antonio)

Mr. Murdock stated that next two meetings would be held on May 1, 2013 and August 7, 2013.

Information Items

Update on the Office of Military Affairs – Robert Murdock, Office of Military Affairs

Mr. Murdock gave a brief update on what the Office of Military Affairs has been working on since the prior MTTF meeting last November. Please see Attachment 1, slide 7

Update on the Community - Military Partnership Study, Bob Murdock, Office of Military Affairs

Mr. Murdock outlined the status of the CMP and gave the anticipated timeline of the project. Please see Attachment 1, slide 9.

San Antonio Post – BRAC Military Impact Study – Dr. Steve Nivin

Dr. Nivin went over the impact study that was completed last fall. Please see Attachment 1, slides 11-20 for additional information and Attachment 2.

Mr. DeCoux thanked Mr. Nivin for his presentation and said that he has had many comments about the modeling for this study. He asked Mr. Nivin if he could share the modeling with Joint Base San Antonio staff so they could tie together the TMPC (Texas Military Preparedness Committee) study, the study that Mr. Nivin prepared and the numbers their finance department put together. Mr. Nivin stated that he would be happy to provide this information.

Mr. Gomez asked if there was a way to determine where the retirees resided in San Antonio. Mr. Nivin stated that their information isn't that detailed.

Mr. DeCoux stated that JBSA tried to determine where active duty military members lived to be sure that they had the services they needed. It was determined that military members lived where they thought the best schools for their children were located and where they could have the best quality of life. He gave Randolph AFB as an example and stated that their members tended to live along the north side of San Antonio as far west as Alamo Ranch.

Ms. Shannon asked if there was another military community like San Antonio, with the size of the City and the number of military, anywhere in else in the United States. San Diego and Washington DC were given as the closest examples. Mr. Frye stated that the difference with the San Antonio area was that San Antonio was a larger core city.

Mr. Thurman stated that the 37th Training Wing asked him to be their honorary commander to bring attention to the number of visitors that come to San Antonio for military trips. With the AETC (Air Education Training Command) and AMEDD (Army Medical Department) graduations, they estimated that anywhere from 300,000 to 500,000 people visit San Antonio annually to attend one of the graduation ceremonies. While in San Antonio, these visitors spend an average of 3.25 nights in San Antonio.

Councilwoman (CW) Chan asked Mr. Nivin if he could explain slide 18 where he has a chart and the numbers of the annual payment to military retirees, and the slide that showed the disposable income. Mr. Nivin stated that that he pulled that information from the State Comptroller's office. This number is the impact of the San Antonio retirees statewide. Mr. Nivin stated that retirees do not spend their entire salary in San Antonio; they might purchase something online or travel to Dallas for vacation. This is what this number reflects. Mr. Nivin also stated that the disposable income included active duty military members, those employed on JBSA as well as the retirees.

Update from MTF Committee Chairs, Joint Base San Antonio, and Other MTF Organizational Representatives

Infrastructure and Transportation Committee (Chair: Carroll Schubert)

With Mr. Schubert in Washington D.C. this week, Mr. Novak asked if anyone had anything to add in reference to infrastructure or transportation. Mr. DeCoux commented that work was progressing well along the Walters Street entrance to Fort Sam Houston. He also commented that the communication between the City and the engineers at JBSA is great.

Real Property and Neighborhoods (Co-Chairs: Howard Peak and Leo Gomez)

Mr. Gomez stated that he was impressed with the redevelopment along the Broadway Corridor and it seems to be spilling over to Grayson Street and into the Government Hill area. The Wheatley Courts area has been awarded a Choice Neighborhood Grant and he anticipates the activity in this area to pick up soon. Along with CW Ivy Taylor, Mr. Gomez recently traveled to Houston to see their various inner city initiatives such as securing vacant lots and their foreclosure program. They look for vacant properties that are five to seven year delinquent in taxes and foreclose the properties. This process puts the properties in the hands of redevelopers. He is working with various City of San Antonio offices to see if such a program will work for San Antonio.

A gentleman commented that there has been great success with the Fort Sam Houston area and he is aware that there is a Joint Land Use Study (JLUS) for Lackland. However, he sees the need for redevelopment in the area surrounding Lackland Air Force Base. Mr. Gomez stated that both his and Mayor Peak's primary focus has been on the area surrounding Fort Sam Houston. However, he lives in the Lackland area and he recognizes the need to address the Lackland area. He stated that the SAGE board has reached out to the Westside Development Corporation. He stated that he sees quite a few areas within Loop 410 that have vacant lots and vacant buildings which could benefit from neighborhood revitalization projects.

Communication and Legislative Affairs (Co-Chairs: Mark Frye and Jesse Hereford)

Mr. Frye provided an update of important legislative issues and gave a link for those who would like more information on the upcoming SA to DC trip, please see www.sachamber.org and click on SA to DC. For additional information, please see Attachment 1, Slide 25 and 26.

Mission Readiness & Sustainability Committee (Co-Chairs: Eric Stephens and Don Taylor)

Mr. Taylor deferred to Ms. Shannon to give the update for both the Lackland JLUS and the Randolph JLUS. Ms. Shannon stated that the Air Force will be conducting a Noise Study as recommended by the Lackland JLUS and that Bexar County would conduct a Light Study when funds could be secured from the Office of Economic Adjustment (OEA). Please see Attachment 1, Slides 28 and 29.

Brooks City Base (Mac McCarthy)

Mr. McCarthy stated that everything was going well at Brooks and he didn't have any updates at this time.

The Greater Chamber of Commerce Military Affairs Committee (Michael Rowland)

Mr. Novak introduced Mike Rowland who is the chairman of the Greater Chamber of Commerce's Military Affairs Committee. He stated that Mr. Rowland is an officer with Broadway Bank and a veteran.

Port San Antonio (Mark Frye)

Mr. Frye stated that Port San Antonio recently released their annual report and brought a few of copies. He asked the members to let him know if they would like a copy to take with them. Mr. Frye also stated that out of the more than 14,000 people who work at the Port, the military presence is still there. He stated that over 7,000 employees are military members, of which most are Air Force.

Mr. Novak asked that the minutes reflect the MTTF member's sincerest congratulations to MG Carter on her recent promotion. Mr. Novak anticipated that with her second star being awarded, that she will be moving on to another position. Col. Chevallier commented that it probably would be late spring or early summer before anything was announced.

Joint Base San Antonio (502nd ABW)

Col. Chevallier stated that the actions that JBSA are implementing now are focused on the fact that they do not have a budget due to the ongoing continuing resolution during fiscal year 2013. He stated that they have not received any guidance regarding implementing sequestration. However, he mentioned that what they would cut first would be things that could easily be reversed. He gave the example that they would let go of their temporary work force, which could be hired back when funds became available. He also stated that the Department of Defense (DoD) will contract due to the winding down the second of two wars. However, Col. Chevallier offered a positive note, due to its national strategic capabilities, JBSA, with its healthcare, training, Cyber and ISR missions, the footprint of the military in San Antonio will not contract as much as other military installations.

Col. Chevallier also noted that members of the Texas Legislature, including Senator Van de Putte and Representative Larson, would be visiting Camp Bullis this week. And lastly, there is an air show scheduled at Randolph AFB on November 2nd and 3rd.

It was announced that Mayor Castro would host the Mayor's Cyber Cup Luncheon on Saturday. He stated that this luncheon was to celebrate the four teams of area high school students that have earned a spot in the national competition. Before the luncheon, the students will be able to talk to the professors and teachers at local colleges to ask questions regarding their programs in cyber technology.

Adjourn

Respectfully submitted,

Sandra Bagwell, Office of Military Affairs

Please visit the Military Transformation Task Force website: www.sanantonio.gov/oma

Audio recording is available at the Office of Military Affairs by request to: sandra.bagwell@sanantonio.gov

Attachments:

1. Military Transformation Task Force PowerPoint Presentation
2. BRAC Military Economic Impact Study



Military Transformation Task Force

February 6, 2013



City of
San Antonio



Bexar County



Greater San Antonio
Chamber of Commerce

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Agenda

1. Citizens to be Heard
2. Review and Approval of Minutes of November 7, 2012
3. Administrative Business
 - a) MTTF/Office of Military Affairs (Bob Murdock)
4. Information Items
 - a) Update on the Community - Military Partnership Project (Bob Murdock)
 - b) Presentation on the Post-BRAC Military Economic Impact Study (Dr. Steve Nivin)
5. Update from MTTF Committee Chairs, Joint Base San Antonio, and Other MTTF Organizational Representatives
6. Adjourn.

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Citizens to be Heard

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Review and Approval of Minutes from November 7, 2012

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Administrative Business

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Future Meetings

Upcoming MTTF Meetings

- **May 1, 2013**
- **August 7, 2013**

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Information Items

- 1. Veteran's Day Proclamation and Post-BRAC Economic Impact Study Roll-out**
- 2. Visit from Admiral Cruz – Navy 50/50 Program**
- 3. ADC Installation Innovation Forum**
- 4. Lackland JLUS Implementation Meeting**
- 5. Meeting with Senator Cruz Staff**
- 6. Community – Military Partnership Project**

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Update on the Community-Military Partnership Project

**Bob Murdock, Director
Office of Military Affairs**

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Community - Military Partnership Project Update

Feb -- Data Collection Complete

Mar -- Consolidation of Data and Fiscal Analysis

Apr -- Business Case Development

**May -- Coordinate Results with JBSA and CoSA
Leadership**

**Jun -- Final Approvals on Project
Recommendations**

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San Antonio Post - BRAC Military Impact Study

Dr. Steve Nivin

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ECONOMIC IMPACT OF DEPARTMENT OF DEFENSE OPERATIONS IN SAN ANTONIO: 2011

PRESENTED TO:
MILITARY TRANSFORMATION TASK FORCE

FEBRUARY 7, 2013



steve.nivin@gmail.com

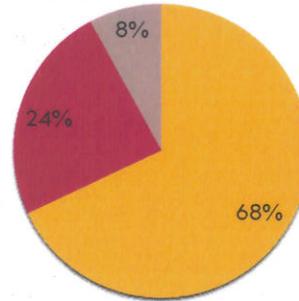
Total Economic Impact

Impact Type	Employment	Economic Output
Direct Effect	131,963	\$20.5 Billion
Indirect Effect	11,554	\$1.6 Billion
Induced Effect	45,631	\$5.6 Billion
Total Effect	189,148	\$27.7 Billion



Economic Impact by Activity

- Joint Base San Antonio: \$19.0B
- DoD Contracts: \$6.5B
- Military Retirees: \$2.2B
- Total: \$27.7B

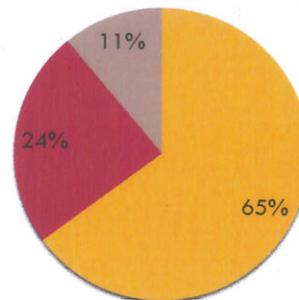


- Joint Base San Antonio
- DoD Contracts
- Military Retirees



Employment Impact by Activity

- Joint Base San Antonio: 121,970
- DoD Contracts: 45,574
- Military Retirees: 21,604
- Total: 189,148

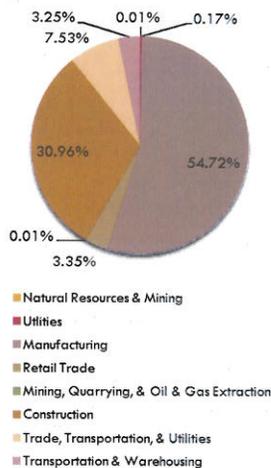


- Joint Base San Antonio
- DoD Contracts
- Military Retirees



Nearly \$4B in Contracting Activity in 2011

- Natural Resources & Mining: 0.01%
- Utilities: 0.17%
- Manufacturing: 54.72%
- Retail Trade: 3.35%
- Mining, Quarrying, & Oil & Gas Extraction: 0.01%
- Construction: 30.96%
- Trade, Transportation, & Utilities: 7.53%
- Transportation & Warehousing: 3.25%

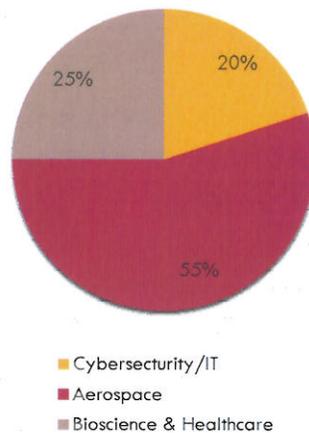


Source: USAspending.gov



\$1.55B in Contracting Activity in 2011 in SA2020 Industries

- Cybersecurity/IT: \$303M
- Aerospace: \$853M
- Bioscience & Healthcare: \$394M

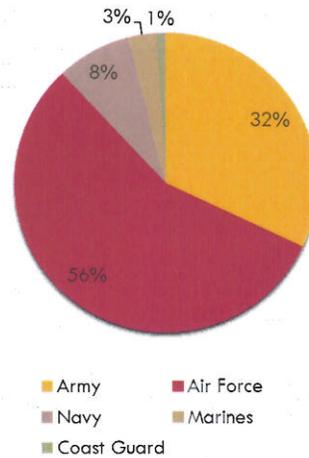


Source: USAspending.gov



Military Retirees by Service

- Army: 17,621
- Air Force: 31,288
- Navy: 4,580
- Marines: 1,393
- Coast Guard: 326

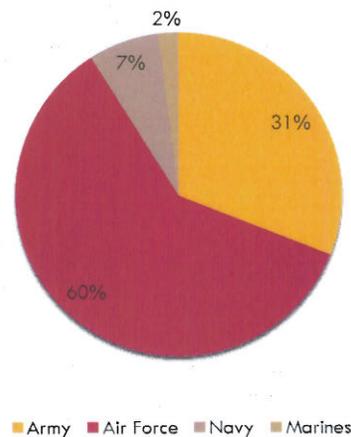


Source: DOD Office of the Actuary



Annual Payment to Military Retirees by Service

- Army: \$468M
- Air Force: \$896M
- Navy: \$102M
- Marines: \$33M
- Total: \$1.5B



Source: DOD Office of the Actuary



Economic Impact of Joint Base San Antonio to Texas

Impact Type	Total Statewide Impact
Total Employment	292,456
Output	\$46.39B
Disposable Personal Income	\$15.88B

Source: Texas Comptroller of Public Accounts



Thank you!





MTTF Committee Updates

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Infrastructure and Transportation Committee

Chair: Carroll Schubert

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**Neighborhoods and Real
Property Committee**

**Co-Chairs: Howard Peak and
Leo Gomez**

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**Communication and
Legislative Affairs
Committee**

**Co-Chairs: Mark Frye and
Jesse Hereford**

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Legislative

Description: Coordinate and integrate military-related State and Federal legislative efforts with City, County and Greater San Antonio Chamber efforts

Ongoing activities include:

1. Participate in SA to DC activities; contribute to relevant issue papers
2. Meet with State and Federal delegation and staffers to promote MTTF agenda
3. Meet with City and County legislative staffers / lobbyists
4. Interact with Texas Military Preparedness Commission as required

Completed Items:

- Planning is underway for 2013 SA to DC trip March 5-8; note date change from the last MTTF meeting; have had preliminary meetings with several military commanders; formal process has begun
- Continuing to follow military issues of importance to the MTTF, specifically the Budget Control Act of 2011 and sequestration (now delayed until March 2 and possibly longer if Congress raises the debt ceiling by 90 days)
- Attending VIVA! San Antonio on February 21 (Austin)

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Legislative—Budget Control Act of 2011 and Sequestration Update

- Budget Control Act (BCA) signed August 2011. Includes provisions for \$1.2 trillion across-the-board cuts automatically triggered from discretionary and mandatory spending programs over the next 10 years
- Sequestration initiated if Congress approves spending higher than caps set forth in the law for “security” and “non-security” categories (the security category includes DoD spending)
- Even without sequestration, DoD must find \$487 billion in savings in its budget over the next 10 years. If sequestration occurs, DoD will face an additional \$600 billion in cuts over the next 10 years
- The Secretary of Defense is strongly opposed to sequestration and publicly states so whenever given an opportunity; the “perfect storm” of the nation reaching the debt ceiling, DoD operating under continuing resolution and the sequester have created a planning challenge
- According to a Federal Times article on January 21 (handout), DoD is likely to use a combination of laying off temporary workers, hiring freezes, furloughs, early retirements, buyouts, curtailing participation in conferences, halting restoration and modernization projects, and other actions that would take 9% out of most DoD accounts by FY13 end.

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Mission Readiness and Sustainability Committee

**Co-Chairs: Eric Stephens and
John Williams**

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JBSA Lackland JLUS

Description: Conduct Joint Land-Use Study for JBSA
Lackland

Completed Actions:

- AF to conduct Noise Study

Next Steps:

- Request OEA funding for Light Study
- Issue RFP for Light Study

Staff Support: Bexar County

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Description: Conduct Joint Land-Use Study for JBSA Randolph

Completed Actions:

- Agreement sent to Matrix Design Group

Next Steps:

- Commissioners Court executes agreement

Staff Support: Bexar County



**Updates from
Joint Base San Antonio and
Other MTTF Organizational
Representatives**



Adjourn



SAN ANTONIO MILITARY ECONOMIC IMPACT STUDY

THE MILITARY GENERATED A \$27.7 BILLION IMPACT



From the establishment of the Presidio de Bexar in 1718, which served as the seat of government and headquarters of military power in Colonial Texas, to the establishment of the Joint Base San Antonio (JBSA) in 2010, San Antonio has enjoyed a deep and long-standing history with the U.S. military. Over the past 294 years, the military and San Antonio have participated in many historic milestones which have formed the foundation for a continuing and significant contribution of the military to the social and economic fabric of the city.

Today, San Antonio, the 7th largest city in the U.S., is home to more Department of Defense (DoD) students and active runways than any other military installation and houses the DoD's largest hospital and only Level-One Trauma Center providing health care support to more than 250,000 veterans and their dependents.

To capture the military's economic impact in the community, the City of San Antonio's Office of Military Affairs and Economic Development Department commissioned a study conducted by the SABÉR Institute which concluded that in 2011, the DoD:

- Provided a \$27.7 billion economic impact
- Supported the employment of 189,148 in the community
- Awarded \$4 billion in local contracts including \$1.5 billion to the SA2020 targeted industries of Aerospace, Biosciences/Healthcare and Information Technology and Cybersecurity
- Supported over 55,000 DoD retirees who reside in the area

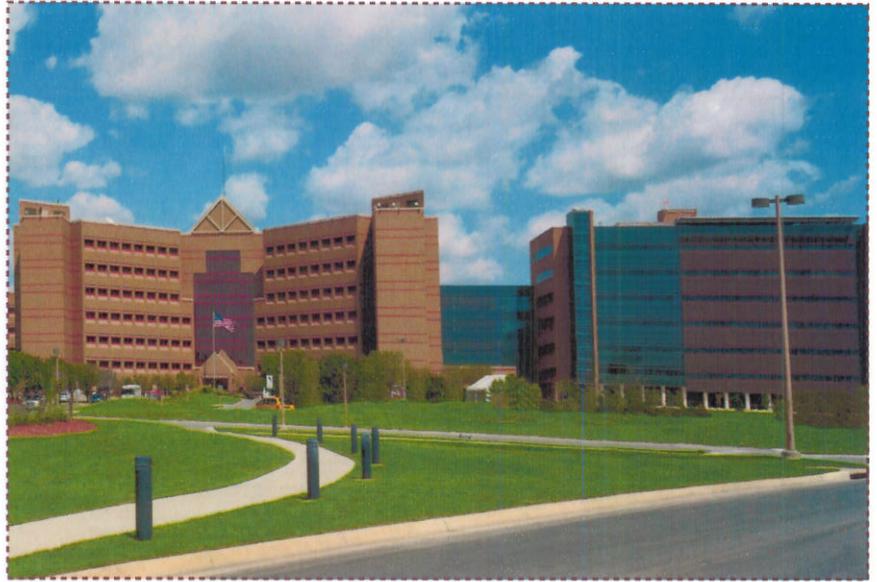
Without question, the military has been and will continue to be an important part of San Antonio's community and economy.

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SAN ANTONIO MILITARY MEDICAL CENTER (SAMMC)

Is the largest inpatient medical facility in the Department of Defense. It plays a critical role in patient care, graduate medical education and research, as well as taking care of wounded service members. SAMMC provides inpatient care in a 2.1 million-square-foot, 425-bed, state-of-the-art medical treatment facility. SAMMC is a certified Level-One Trauma Center, and receives more than 5,700 emergency room visits each month. It is one of only 15 hospitals in the United States that holds both Level-One Trauma certification and accreditation from the American Burn Association.



DID YOU KNOW?
JOINT BASE SAN ANTONIO SUPPORTS...

425 retired general officers, the 2nd largest concentration in the U.S.

In 2011, the economic impact of the Department of Defense in San Antonio was \$27.7 billion, while the total employment supported by DoD was 189,148, with JBSA directly employing 92,000.

TOTAL ECONOMIC IMPACT OF THE DEPARTMENT OF DEFENSE IN SAN ANTONIO: 2011

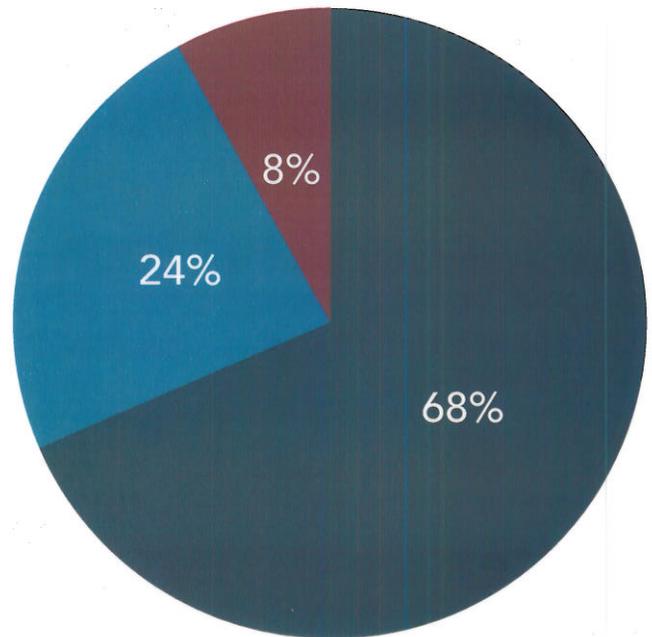
IMPACT TYPE	EMPLOYMENT	ECONOMIC OUTPUT
Direct Effect	131,963	\$20.5 Billion
Indirect Effect*	11,554	\$1.6 Billion
Induced Effect*	45,631	\$5.6 Billion
Total Effect	189,148	\$27.7 Billion

*Induced is derived from the spending of employees; indirect is supported by spending of suppliers and contractors.

ECONOMIC IMPACT BY ACTIVITY

ECONOMIC IMPACT: \$27.7 BILLION

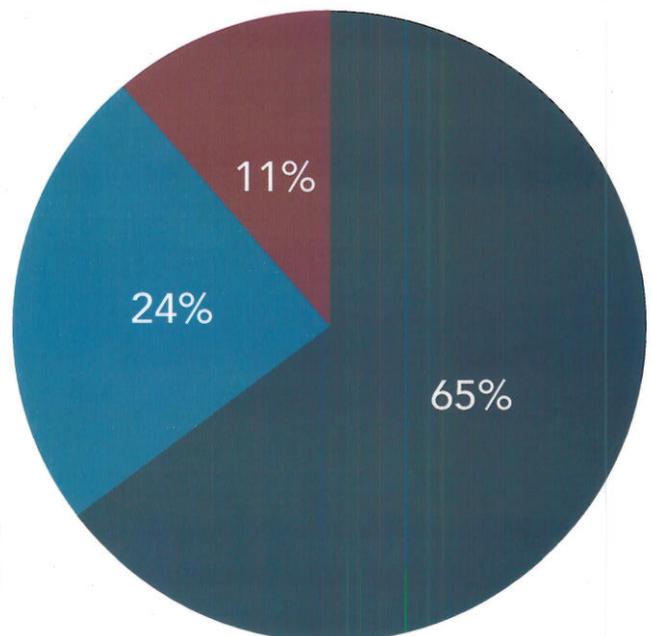
- Joint Base San Antonio: \$19B
- DoD Contracts: \$6.5B
- Military Retirees: \$2.2B



In 2011, the economic activity of the Department of Defense resulted in a total economic impact of \$27.7 billion. The largest economic activity contribution was from Joint Base San Antonio, followed by DoD contracts and military retirees.

EMPLOYMENT IMPACT: 189,148

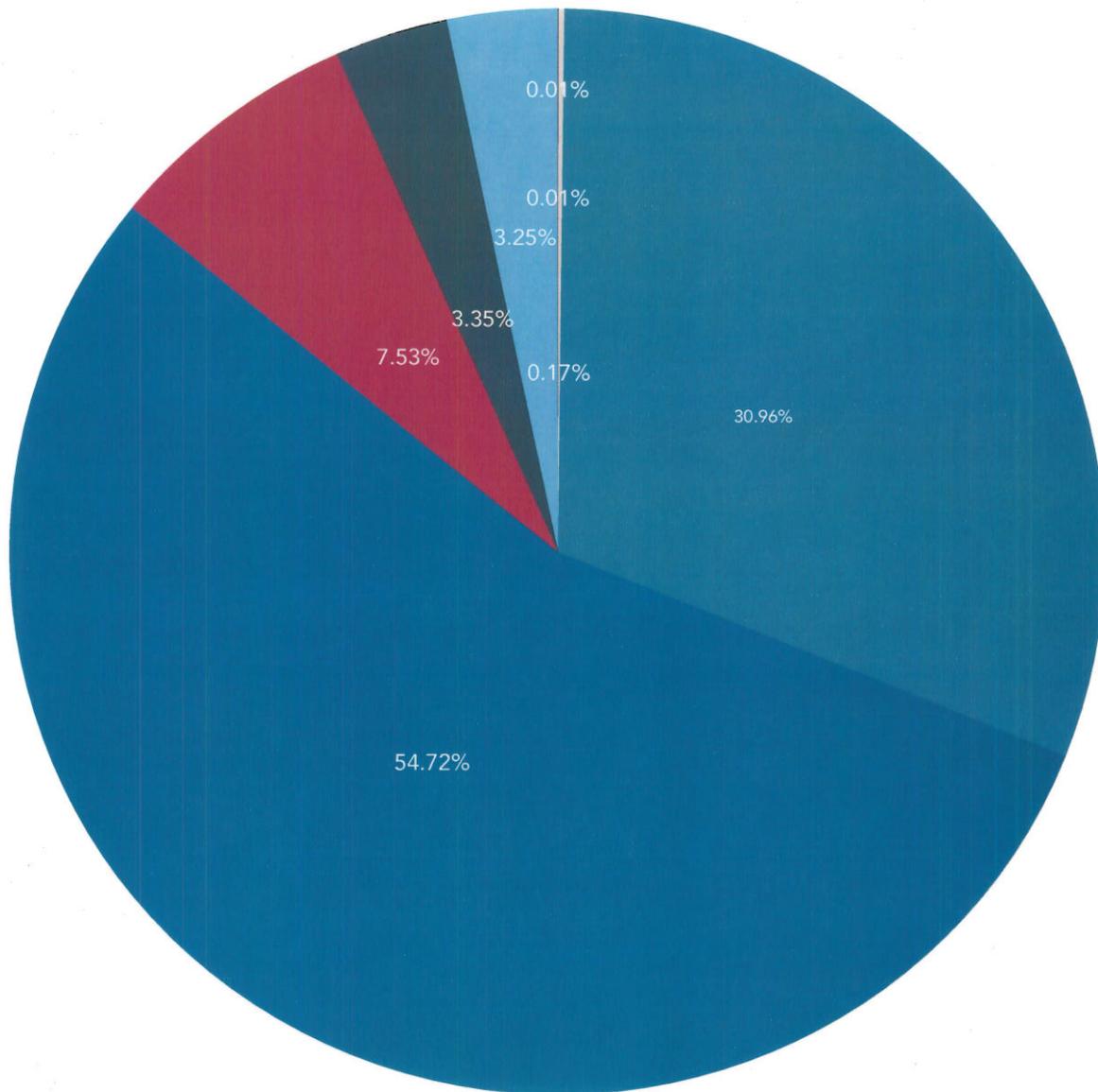
- Joint Base San Antonio: 121,970
- DoD Contracts: 45,574
- Military Retirees: 21,604



In 2011, DoD activity supported the employment of 189,148. Joint Base San Antonio accounted for the largest share of the employment impact, followed by contracts and military retirees.

LOCAL DEFENSE CONTRACTS BY INDUSTRY SECTOR

The Department of Defense awarded nearly \$4 billion in contracts in 2011, which impacted nearly every industry in San Antonio.



- Natural Resources & Mining: 0.01%
- Utilities: 0.17%
- Manufacturing: 54.72%
- Retail Trade: 3.35%
- Mining, Quarrying & Oil and Gas Extraction: 0.01%
- Construction: 30.96%
- Trade, Transportation & Utilities: 7.53%
- Transportation & Warehousing: 3.25%

DOD CONTRACTS & SA2020

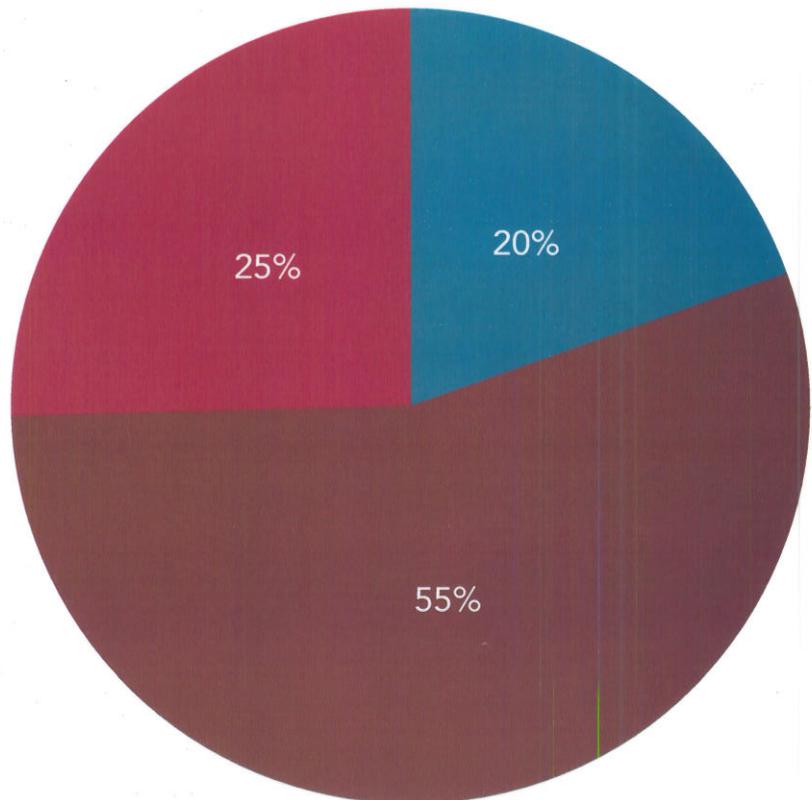


SA2020 was derived from community input, challenging and energizing the entire community to achieve shared goals by the year 2020. The community, together with Mayor Julián Castro and the City Council, agreed that in the year 2020 San Antonio would be recognized as a leader in business that prospers through innovation in 21st century industries, such as Aerospace, Cybersecurity & Information Technology and Bioscience & Healthcare.

DoD contracts span across the major SA2020 industries providing more than \$1.5 billion in local contract opportunities for San Antonio area businesses in 2011.

TOTAL = \$1.55 BILLION

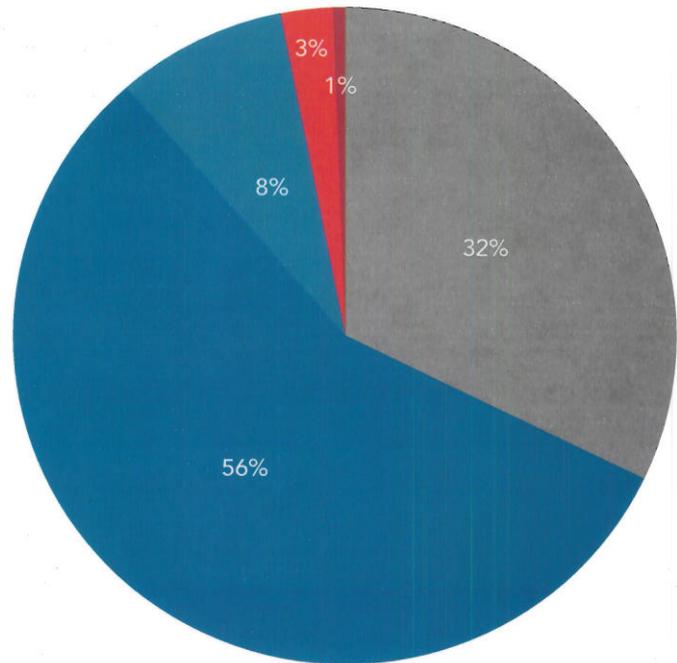
- Cybersecurity/IT: \$303M
- Aerospace: \$853M
- Bioscience & Healthcare: \$394M



ECONOMIC IMPACT OF RETIREES

RETIREES BY SERVICE: 55,208

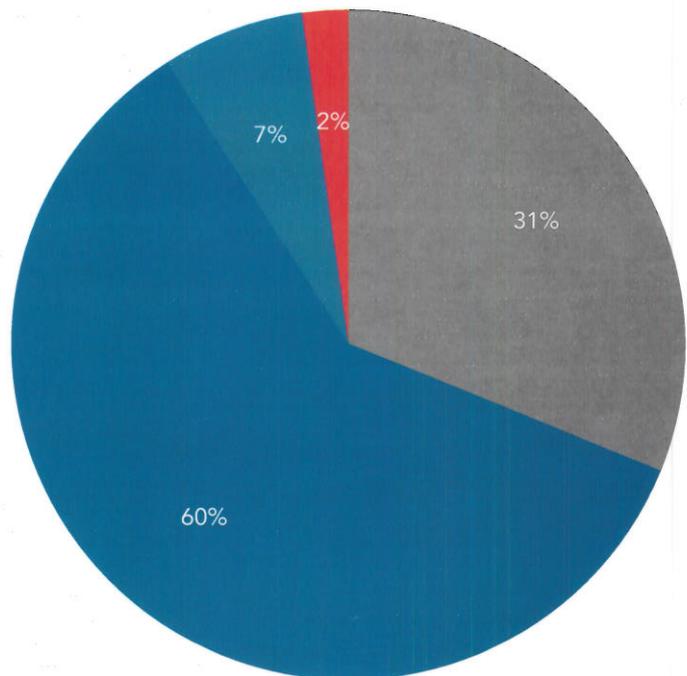
- Army: 17,621
- Air Force: 31,288
- Navy: 4,580
- Marines: 1,393
- Coast Guard: 326



More than 55,000 retirees from the four services of the armed forces, as well as retired civilians from the Department of Defense (DoD), live in the San Antonio area. Annual payments to retirees from the DoD is substantial, totaling nearly \$1.5 billion annually. This monthly paycheck provides a significant economic impact to the community, particularly in times of economic downturn.

ANNUAL PAYMENTS TO RETIREES BY SERVICE: \$1.5 BILLION

- Army: \$468M
- Air Force: \$896M
- Navy: \$102M
- Marines: \$33M



Military retirees are those individuals who retire from the military after 20 or more years of service or who became totally and permanently disabled due to military service. Veterans are individuals who serve our country in the armed forces who were honorably discharged and or who became ineligible for active service due to a disability received during the act of service.

JOINT BASE SAN ANTONIO QUICK FACTS

- Services more DoD students than any other installation, more active runways than any other installation.
- Houses the DoD's largest hospital and only Level One Trauma Center, supports more than 250,000 personnel.
- Interfaces with 1,000 civic leaders of San Antonio, 20 smaller communities, four counties and four Congressional Districts.
- Total plant replacement value is about \$32 billion.
- Annual budget of \$800 million.

DID YOU KNOW?
JOINT BASE SAN ANTONIO
COVERS

**MORE THAN
55,000 ACRES**



**Ribbon Cutting of the new Long Barracks
at Fort Sam Houston.**

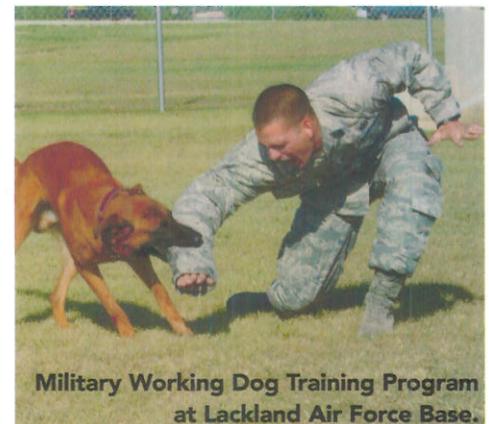
JOINT BASE SAN ANTONIO

As a result of BRAC 2005, Joint Base San Antonio (JBSA) was established to provide installation support functions for JBSA-Fort Sam Houston, JBSA-Lackland, JBSA-Randolph and eight other operating locations. The Air Force established the 502nd Air Base Wing to provide installation support across all JBSA locations and its Air Force commander also serves as the JBSA commander. JBSA is one of twelve joint bases in the U.S. military.

MAJOR JBSA COMMANDS & MISSIONS

Some of the major mission partner organizations within Joint Base San Antonio include:

- U.S. Army North (Fifth U.S. Army)
- Installation Management Command
- Army Medical Command
- U.S. Army South (Sixth U.S. Army)
- Army Medical Department Center & School
- Southern Regional Medical Command
- Brooke Army Medical Center (San Antonio Military Medical Center)
- Medical Education and Training Campus
- Air Education and Training Command
- Air Force Personnel Center
- Air Force Recruiting Service
- 24th Air Force
- 59th Medical Wing
- Air Force Intelligence, Surveillance & Reconnaissance Agency



**Military Working Dog Training Program
at Lackland Air Force Base.**

REPORT PRESENTED BY



We would like to acknowledge the hard work and dedication of Steve Nivin, Ph.D., in preparing this report. Dr. Nivin is Director and Chief Economist of the Strategic Alliance for Business and Economic Research (SABÉR) Institute—an economic research collaborative between the San Antonio Hispanic Chamber of Commerce and St. Mary's University.

CITY OF SAN ANTONIO ECONOMIC DEVELOPMENT

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