

**INTERGOVERNMENTAL RELATIONS COMMITTEE
MEETING MINUTES
WEDNESDAY, MARCH 06, 2019
1:00 PM
PLAZA DE ARMAS BUILDING**

Members Present:	Mayor Ron Nirenberg Councilmember Rey Saldaña, Chair, <i>District 4</i> Councilmember Manny Peláez, <i>District 8</i> Councilmember Clayton Perry, <i>District 10</i>
Members Absent:	Councilmember Rebecca Viagran, <i>District 3</i>
Staff Present:	Andy Segovia, <i>City Attorney</i> ; Carlos Contreras, <i>Assistant City Manager</i> ; Jeff Coyle, <i>Director of Government & Public Affairs</i> ; Rene Dominguez, <i>Director of Economic Development Department</i> ; Megan Dodge, <i>Assistant Director of Government and Public Affairs</i> ; Amy Contreras, <i>Manager of Economic Development Department</i> ; Alicia K. Beckham, <i>Office of the City Clerk</i>
Other Present:	Stephanie Reyes, <i>San Antonio Chamber of Commerce</i>

1. Update on proposed legislation for the 86th State Legislative Session [Jeff Coyle, Director, Government & Public Affairs]

Jeff Coyle stated that Property Tax Senate Bill (SB) 2 was passed out of the Senate Committee and was reduced to 2.5%. He noted that the House Ways and Means Committee heard Property Tax House Bill (HB) 2 and that it had a 2.5% cap on Property Tax Revenues. He added that San Antonio was among 30 cities that were part of a coalition to develop positive resolutions to HB 2.

Mr. Coyle reported that Public School Finance SB 3 was passed which included a \$5,000 raise for teachers and a \$4 billion investment in Teachers and Libraries. He noted that Public School Finance HB 3 would be a \$9 billion investment in schools. He added that HB 3 would give school districts the flexibility on pay raises and to add full day Pre-K Programs. He mentioned that there was State buy down of local school district taxes of four cents and that a four-cent compression for a \$250,000 home would be a \$100 per year in school taxes reduced.

Mr. Coyle stated that the Byte Sticks SB 764 and HB 2584 permitted Code Officers to carry deterrents when confronted by a dog. He noted that it was referred to the Senate Criminal Justice Committee. He added that HB 1287 was presented as a prima facie speed limit on streets and highways that would lower the default speed from 30 miles per hour (mph) to 25 mph.

Mr. Coyle stated that there was a substituted version of Paid Sick Leave Bill SB 15 presented to the Senate State Affairs Committee. He noted that the new version of the bill clarified that cities regulated private employers in areas of employment, leave, benefits, scheduling, and criminal background checks of applicants. He added that it restored language noting that the bill did not apply to Non-Discrimination Ordinances.

Andy Segovia reported that SB 15 would not preempt the City's Non-Discrimination Ordinance. Mr. Coyle stated that it passed out of the Senate State Affairs Committee.

Mr. Coyle reported that the House Land and Resource Committee invited representatives from the City and Texas General Land Office (GLO) to speak on The Alamo. He stated that Shanon Miller represented

the City. He noted that there was a bill that Representative (Rep.) Kyle Biedermann would author that would prohibit the Cenotaph from being moved. He stated that the Senator (Sen.) Donna Campbell filed SB 191 which aimed to allow the Cenotaph to be moved only if the GLO, the Texas Historic Commission, and the Daughters of the Republic collectively agreed; and gave the State authority to take away that property.

Mr. Coyle stated that the House Appropriations Subcommittee had approved the Defense Economic Assistance Adjustment Grant totaling \$50 million in funding. He noted that Rep. Ina Minjarez had filed bills that would allow local voters to decide if they wanted to increase Bexar County's Motor Vehicle Registration Fee by \$10 and would be utilized by the Regional Mobility Authority. He added that Rep. Ina Minjarez and Sen. José Menéndez filed a companion bill that would allow for a vote in the community to exceed the current sales tax cap by half-a-penny and would be utilized by the Advanced Transportation District.

Mr. Coyle stated that there was a bill that would prohibit taxpayer funded lobbying and that there could not be public expenditures or reimbursements. He noted that the House Appropriations Chair Rep. John Zerwas and Sen. Joan Huffman filed a bill that would make Tobacco 21 effective statewide.

Mayor Nirenberg suggested that he and the Chair compose a letter of support for the Tobacco 21 Bill.

Councilmember Perry stated that he was not in support of an additional \$10 local fee for transportation or Tobacco 21.

Mayor Nirenberg stated that both those items were included in the City's Legislative Agenda and approved by City Council. He noted that the City had to be clear that the entire Council was in support of the two items and did not want Councilmembers going to Austin to speak against the City's Approved Legislative Agenda Items.

No action was required for Item 1.

2. Update on NAFTA/USMCA [Rene Dominguez, Director, Economic Development Department]

Rene Dominguez reported that the North American Free Trade Agreement (NAFTA) had a direct impact on San Antonio from 1994 to 2016 and that there were over 63,000 jobs created as a result of NAFTA. He stated that NAFTA had over a \$10 billion impact on the gross regional product and over \$12 billion in output. He noted that there were over 1,500 businesses that export to Mexico and Canada with \$ 2.2 billion exported annually to Canada and \$2 billion exported annually to Mexico.

Mr. Dominguez stated that Canada and Mexico were Texas' biggest trading partners and that 45% of total exports go to those two countries. He noted that Texas maintains relationships with Mexico and that San Antonio had a Sister City Agreement with Guadalajara and a Trade Office in Mexico City.

Mr. Dominguez stated that the provisions in the old NAFTA Agreement were inserted into the new NAFTA Negotiation Agreement and that it contained the same terms of goals, margin, market access, reduce carrier tariffs, and intellectual property rights. He noted that the new provisions expanded Border Ag and Energy Markets particularly to Canada; increased the Automotive Rules of Origin from 62.5% to 75%; increased the minimum wage threshold of \$16 an hour for production workers; and modernized terminology. He added that in November 2018, President Donald Trump, President Enrique Pena Nieto,

and Prime Minister Justin Trudeau signed a New Free Trade Agreement in Argentina at the G20 Leaders' Summit. He reported that the Agreement had to be ratified by all three legislatures.

Mr. Dominguez stated that the City would be coordinating with the San Antonio Chamber of Commerce for support of the United States Mexico Canada Agreement (USMCA). He noted that the USMCA had a profound impact to the business industry in San Antonio. He added that the Economic Development Department was collaborating with Government and Public Affairs to work with City partners to solicit feedback on the environment, labor, and pharmaceuticals.

Councilmember Peláez requested that staff review how private parties were utilizing CASA San Antonio.

No action was required for Item 2.

3. 2019 SA to DC Recap [Jeff Coyle, Director, Government and Public Affairs]

Sally Basurto stated that the 2019 SA to DC was very successful noting that there were 105 attendees which was the highest recorded attendance. She added that there were 12 Issue Teams and 105 meetings. She reported that there had been four congressional member visits to San Antonio since the SA to DC Trip. She noted that the Committee oversaw items related to transportation. She added that Representative (Rep.) Peter A. DeFazio met with the Mayor Nirenberg to discuss FAST Act, a funding program and initiative for state and local communities for transportation.

Ms. Basurto stated that military protection was very important and that funding would protect military missions in San Antonio. She noted that staff identified \$4.6 million in off base projects and would be seeking \$100 million in funding from the Defense Communities Infrastructure Pilot Program. She reported that Mayor Nirenberg communicated to Rep. DeFazio and Rep. Henry Cuellar that the City had \$29 million worth of aviation infrastructure projects. She added that Mayor was invited to testify in Congress in Washington DC for the first Surface Transportation Hearing. She stated that the Emergency Operations Center had identified \$20 million needed projects under Homeland Security.

Councilmember Perry requested that the San Antonio Chamber of Commerce provide the Committee a consolidated book that reported on the entire 2019 SA to DC Trip.

Mayor Nirenberg acknowledged staff for being the best prepared team in Washington DC and Austin, TX.

No action was required for Item 3.

Adjourn

There being no further discussion, the meeting was adjourned at 1:05 p.m.

Respectfully Submitted,

Rey Saldaña, Chairperson

*Alicia K. Beckham
Office of the City Clerk*