

City of San Antonio



City Council B Session

No in-person access to this meeting

Wednesday, August 5, 2020

2:00 PM

Videoconference

ROLL CALL

The City Council convened in a Regular Meeting. Acting City Clerk Tina J. Flores took the Roll Call noting a quorum with the following Councilmembers present:

PRESENT: 11 - Mayor Nirenberg, Treviño, Andrews-Sullivan, Viagran, Rocha Garcia, Gonzales, Cabello Havrda, Sandoval, Pelaez, Courage, and Perry

Once a quorum was established, the City Council shall consider the following

1. Briefing on a proposed ballot Initiative to provide a 1/8 cent sales tax for workforce development and higher education under Chapter 379A of the Texas Local Government Code. [Carlos Contreras, Assistant City Manager; Alejandra Lopez, Director, Economic Development]

Alejandra Lopez reported that during the Pre-COVID economy the unemployment rate was 3.2%, job growth was 10%, and population growth was 10%. She reported the educational attainment and average annual earnings comparison for San Antonio and noted that the most substantial contributor to the poverty rate was low educational attainment. She reported that 18% had less than a high school diploma and earned an average of \$21,745 annually; 27% had a high school diploma or equivalent and earned an average of \$26,754 annually; 30% had some college or an associate degree and earned an average of \$32,181 annually; 16% had a bachelor's degree and earned an average of \$46,737 annually; and 10% had a graduate or professional degree and earned an average of \$64,577 annually.

Ms. Lopez stated that 154,000 workers in San Antonio filed for unemployment since mid-March 2020, with one-third of claims filed by those employed in accommodations and food services, retail, healthcare and social assistance.

Ms. Lopez stated that the COVID-19 Community Recovery and Resiliency Plan (Plan) approved

by the City Council in June 2020, included substantial investment in workforce development. She indicated that the Plan focused on:

- Subsidized job training and certifications for demand occupations
- Intake, assessment, referral, and case management
- Training stipends

She noted that the Plan would be implemented through various workforce development partners.

Ms. Lopez reported that in July 2020, Mayor Nirenberg appointed a Workforce and Education Leadership Task Force whose purpose was to identify next steps for economic recovery, reduce unemployment, and promote economic mobility. She indicated that the Task Force included leaders in education, workforce development, asset building, business, economic development, and philanthropy. She added that according to the Task Force, job openings for skilled workers existed and closing skills gaps to connect residents with available jobs was critical to recovery.

Ms. Lopez stated that the Task Force recommended an initial focus on workforce training to increase focus on degree completion in subsequent years. She noted that the Initiative would focus on industry-recognized certifications and two and four-year college degrees and placement into career pathways with \$15+/hour jobs with benefits. She added that participants pursuing either type of training would receive wraparound case management services to help navigate barriers which may prevent training completion and support job placement.

Ms. Lopez reported that the workforce development economic recovery model included workforce training for in-demand jobs, and wraparound services which could result in approximately 50,000 residents served over five years, certificate and degree completion, job placement, and increased wages.

Ms. Lopez stated that the proposed Initiative would be supported by sales tax, if approved by voters, and could generate approximately \$38.5 million annually. She provided a sample annual Budget for the Initiative. She indicated that the anticipated outcomes included continued industry collaboration to inform training needs, promotion of job placements, decreased unemployment levels, and increased wages.

Ms. Lopez indicated that feedback received from the City Council would be incorporated in the proposed Initiative and would be presented to City Council on August 11, 2020 for a briefing. She noted that the proposed Initiative would be brought before City Council for consideration on August 13, 2020 and the proposed Initiative would be launched, if approved, in September 2021.

Mayor Nirenberg stated that we must be conscious of the human element in the presence of a devastated economy and many citizens were at risk prior to the COVID-19 Pandemic. He noted that the proposed Initiative was an opportunity for tens of thousands of San Antonio residents to enter into a career. He recognized and expressed his gratitude to Ms. Lopez and the team.

Councilmember Viagran requested a discussion on the metrics of the proposed Initiative and the governance structure at the next meeting on August 11, 2020. She asked if the salary data was

for San Antonio. Ms. Lopez replied that it was.

Councilmember Rocha Garcia asked what the \$2 million for implementation costs would support. Ms. Lopez reported that the \$2 million supported administration of the program.

Councilmember Gonzales stated that if the City was investing in education, the private sector should increase wages. She indicated that she would like to see a targeted effort focused on 20% of the population which were living in poverty.

Councilmember Cabello Havrda asked how long participants would have access to wraparound services. Ms. Lopez replied that participants would have access to wraparound services for the duration of the training.

Councilmember Sandoval stated that she would like the assurance that employers would consider employment of graduates of the program.

Councilmember Pelaez asked if the 20% of the underemployed and working poor were those most likely to benefit from the program. Ms. Lopez reported that they were.

Councilmember Courage asked how the Edwards Aquifer would be protected and how the Linear Creekway Program would be supported when reassigning the 1/8% sales tax. City Manager Walsh reported that the City had the option to create a Local Government Corporation or to amend the City Charter in 2021 to allow for public purpose and including a Proposition to fund the Aquifer Protection Program in the 2022 Bond Program. Mayor Nirenberg noted that the Bexar County Commissioners Court committed to completing capital projects in the next five-year phase of the Linear Creekway Program.

Councilmember Perry asked of the commitment of participants to work in San Antonio. Ms. Lopez reported that a commitment from participants had not been explored.

Councilmember Treviño stated that school districts should be involved in discussions. He asked what the 1/8% Sales Tax could be utilized for. City Attorney Segovia replied that he would provide details on the use of the 1/8% Sales Tax to the City Council soon.

Councilmember Andrews-Sullivan asked how many learning experience credits could be awarded. Alamo College District (ACD) Chancellor Dr. Mike Flores replied that an individual could earn up to 12 credit hours for prior learning experience. Texas A&M University President Dr. Cynthia Teniente-Matson replied that there were programs which addressed competency-based learning.

Councilmember Viagran asked if there was flexibility in the budget to make adjustments. City Attorney Segovia reported that the proposed Ordinance would be written to provide flexibility to make adjustments. Councilmember Viagran asked if the Pre-K 4 SA Board would govern the proposed Initiative. City Attorney Segovia replied that the Pre-K 4 SA Board would govern the Initiative. Assistant City Manager Carlos Contreras added that the Pre-K 4 SA Board would contract with the City to administer, oversee, and implement the program and the City and City Council would implement and devise the selection of partners and distribution of the funding.

City Manager Walsh stated that additional details would be added to the presentation for the August 11, 2020 briefing.

Mayor Nirenberg stated that questions and comments by Councilmembers would be incorporated into the next presentation. He noted that this effort was intended to build upon the COVID-19 Community Recovery and Resiliency Plan as a mid-term strategy which would allow sustained recovery that would focus on economic mobility for individuals who needed it the most.

ADJOURNMENT

There being no further discussion, Mayor Nirenberg adjourned the meeting at 4:06 pm.

APPROVED

RON NIRENBERG
Mayor

Attest:

TINA J. FLORES
Acting City Clerk