

**State of Texas
County of Bexar
City of San Antonio**



DRAFT

Meeting Minutes

City Council B Session

City Hall Complex
114 W. Commerce
San Antonio, Texas 78205

Wednesday, September 3, 2014

2:00 PM

Municipal Plaza Building

The City Council of San Antonio convened in the “B” Room of the Municipal Plaza Building at 2:00 pm. City Clerk Leticia Vacek took the Roll Call with the following Councilmembers present:

Present 9 - Mayor Taylor, Bernal, Toney, Viagran, Gonzales, Aguirre-Rodriguez, Nirenberg, Krier, and Gallagher

Absent 2 - Saldaña, and Lopez

Mrs. Vacek announced that Councilmember Lopez was attending a Doctor's Appointment.

1. Staff presentation on the FY 2015 Proposed Budget focusing on, but not limited to, the following City Departments: [Sheryl Sculley, City Manager; Maria Villagomez, Director, Management and Budget]
 - A. Convention & Visitors Bureau
 - B. Convention Sports Facilities
 - C. Department of Cultural & Creative Development

D. Arts Agencies Funding

A. CONVENTION & VISITORS BUREAU

Casandra Matej stated that the Convention and Visitors Bureau (CVB) markets four areas of interest to the Traveler: 1) Family Fun; 2) Culinary; 3) Active Lifestyle; and 4) Arts, Culture and History. She reported that the Hotel Occupancy Tax (HOT) Rate was levied on every hotel room and regulated by State Law. She stated that it could be utilized to support Tourism Activities, Convention Activities, Arts & Cultural Programming, and History & Preservation. She noted that the City of San Antonio HOT Rate was 16.75% and distributed as follows:

- 6% to the State of Texas
- 7% to the City of San Antonio (COSA)
- 2% to the City of San Antonio but allocated to the debt of the Convention Center
- 1.75% to Bexar County (Venue Tax)

Mrs. Matej noted that the 7% allocated to CoSA was further distributed within the City as follows:

- 35% to the CVB
- 35% to Convention Facilities
- 15% to Arts
- 15% to History and Preservation

Mrs. Matej stated that in FY 2015 there was an estimated increase in HOT Revenue of 3% over FY 2014. She mentioned that the CVB represented a \$12 Billion Economic Impact to the City with 30 Million annual visitors to the City. She stated that the department's mission was to promote and market San Antonio as the Premier Leisure, Visitor, and Convention Destination for the purpose of impacting the local economy. She reported that this was accomplished through Marketing, Group and Tourism Sales Efforts, and CVB Services. She showed a video highlighting the CVB's 2014 Accomplishments:

- Launched "Unforgettable" Advertising Campaign
- Leveraged Online Presence via Social Media, Video, and VisitSanAntonio.com
- More than \$28 Million in Earned Media
- Booked High Volume Meetings
- Launched New "Meeting" Website
- Activated Initial Steps for Long-Term Strategic Plan

Mrs. Matej presented the proposed FY 2015 Budget and reported that three positions were

re-assigned to the Information Technology Services Department (ITSD) with the Shared Services Program. She reported that the CVB had 47 Part-Time and 90 Full-Time Employees. She stated that the CVB was seeking approval to redirect FY 2014 savings in the amount of \$500,000 for Television Broadcast Marketing and \$200,000 for Mixed Digital and Print Advertising. She noted that the CVB anticipated an increase of 8.3% in August 2014 over the same time last year. She added that in FY 2015, the CVB would focus on the following:

1. Enhance and Broaden San Antonio's Awareness
2. Maximize Short-Term Business Opportunities
3. Build Long-Term Convention Opportunities
4. Maximize Opportunities through Our Synchronicities Three City Partnership

Mayor Taylor thanked staff for the presentation and asked if there was an effort to focus on the City's Neighborhoods. Mrs. Matej replied that currently there was not but the CVB would work on that approach. She stated that the CVB could partner with Destination Management Companies to focus on Neighborhoods and requested input from Councilmembers on Neighborhoods in their Districts. Mayor Taylor thanked the CVB for its recent efforts focused on the African American Market.

Councilmember Viagran asked of the 15% for History and Preservation. Mrs. Sculley reported that funds for History and Preservation supported the maintenance of the Riverwalk, Japanese Tea Garden, and other Historic Sites. Councilmember Viagran asked if there had been any cancellations due to the Convention Center Expansion. Mrs. Matej reported that there had not been any cancellations. Councilmember Viagran asked of the CVB's Marketing Approach. Mrs. Matej indicated that the CVB's Marketing Approach was based on research of potential Traveler's Behavior, their interests, and many other variables.

Councilmember Bernal urged the CVB to continue their work to attract Conventions such as Pax South and Comicon that were of interest to Locals and Visitors. He also complimented Mike Sawaya's Staff for their work on the Bridal Extravaganza and Comicon.

Councilmember Krier asked how the success of the CVB was measured. Mrs. Matej replied that the CVB utilizes a Monthly Measure Report which could be provided to the City Council. She stated that one quantifiable way to measure success was through Convention Sales Efforts that tracked the number of group rooms that were contracted. She noted that a recent Return on Investment (ROI) Study was conducted and found that for every dollar the City has spent on Marketing; it received \$4.72 in return. She added that the CVB viewed overall occupancy as a measure of success and noted that it has grown by 20%

in the last five years. Councilmember Krier asked how Mega Events were identified that the City could reasonably host. Mrs. Matej replied that they partnered with the San Antonio Sports Foundation to identify Mega Events and explore the potential opportunity to host them.

Councilmember Nirenberg asked of plans for the 300-Year Anniversary Celebration of the City. Mrs. Sculley stated that the Mayor and City Council would be involved in planning the Tricentennial Celebration and discussions on establishing a Tricentennial Committee or Commission. She stated that the CVB and Hospitality/Tourism Industries would also be involved in said planning and recommended that planning begin in 2015.

Councilmember Toney suggested that the CVB continue to highlight the Carver Community Cultural Center and the City's Historic Cemeteries.

Councilmember Gonzales stated that she supported promotion of Local Tourism and Neighborhood Highlights, as well as designation of the City as a World Heritage Site.

Councilmember Aguirre-Rodriguez asked if there was an opportunity for collaboration of the CVB and the Airport's Marketing Efforts. Mrs. Matej replied that the CVB has partnered with the Aviation Department on Airline Recruitment and that Marketing Discussions would be held with the Assistant City Manager over the Aviation Department.

Mayor Taylor thanked staff for the presentation.

B. CONVENTION SPORTS FACILITIES

Michael Sawaya stated that the Convention Sports Facilities Department managed City-Owned Facilities to include the Alamodome, Henry B. Gonzalez Convention Center, and Carver Community Cultural Center. He noted that the department managed leases for the Nelson Wolff Baseball Stadium, Universidad Nacional Autonoma de Mexico (UNAM), Instituto Cultural de Mexico, and Grand Hyatt Hotel. He mentioned that the department hosted more than 660,000 individuals at 312 events at the Convention Center and 1.1 million visitors at 140 events at the Alamodome.

Mr. Sawaya highlighted the Department Accomplishments for FY 2014 noting that a \$600,000 Capital Project was completed at Wolff Stadium. He reported that 225 Arts and Cultural Events were hosted at the Carver Community Cultural Center with 26,000 attendees. He stated that the proposed FY 2015 Budget for the Department was \$37.8 million. He reported that the City anticipated receipt of \$2 Million in rebates from the State associated with Capital Improvements. He added that the department had 326 full time positions which was a decrease of five positions due to the Shared Services Reorganization.

He mentioned that the Department would host the largest convention that the City has ever hosted for the Seventh-Day Adventist Church in July 2015. He reported that the Convention would be hosted for 11 days with 70,000 attendees.

Mr. Sawaya reviewed the Revenue History for the Convention Center and the Alamodome and the combined Operating Revenues for both facilities. He noted that a Ticket Surcharge of \$2.00 would be added to each ticket sold and the Parking Fee at the Alamodome would increase from \$10.00 to \$15.00. He stated that they were also recommending an increase in the Facility Renewal and Improvement Fee from \$0.50 to \$1.50. He noted that said Fees would be placed in the Capital Reserve Improvement Fund for the Alamodome.

Mr. Sawaya reported that a Facility Study conducted in 2012 had identified improvements needed and that said improvements were required to meet the specifications for a Bid for a future Men's Championship with the National Collegiate Athletic Association (NCAA). He noted that the NCAA would make their Site Selection in November 2014. At that time; they would present recommendations to the City Council. He mentioned that the NCAA would conduct a site visit to San Antonio next week to review the Alamodome and the City's Improvement Plans for the facility.

Mr. Sawaya added that the City would award a contract for the Convention Center Catering and Concessions later this year. He played a video depicting future improvements to the Alamodome for hosting a Music Venue and distributed schedules for the Carver Community Cultural Center and UTSA Football Games.

Mayor Taylor thanked staff for the presentation and suggested a discussion of the parking at the Alamodome. Mr. Sawaya acknowledged that Alamodome Parking was not sufficient for a facility of that size. He stated that it was the intention to have people park in the Downtown Area in order that attendees exit the facility; the traffic is distributed through various arteries. He noted that changes have been made to the egress for the Alamo Bowl and associated events.

Councilmember Gallagher asked which events generated the most revenue. Mr. Sawaya replied that Major Football Events and Big Concert Events generated the most revenue.

Councilmember Nirenberg asked of a preliminary plan for upgrades to the Alamodome. Mr. Sawaya replied that a Comprehensive Plan for said upgrades had not been established but User Fees would be placed aside for future improvements.

Councilmember Krier asked of the sources of revenue from the Alamodome. Mr. Sawaya stated that Revenue was derived from Room Rentals, Catering, and Trade Commissions. Councilmember Krier asked if any Political Conventions were scheduled. Mr. Sawaya

replied that Political Events were very complex and required that facilities be taken off the market for an extended period of time.

Councilmember Gonzales asked of Pedicab Service at the Alamodome. Mr. Sawaya stated that Pedicabs were usually available during major events.

Councilmember Toney commented that residents perceived a lack of adequate parking at the Alamodome. Mr. Sawaya stated that the Alamodome was built with a tax through VIA Metropolitan Transit (VIA) which required VIA to provide Park and Ride Service for any event in which 10,000 or more attendees were anticipated. He noted that the price for VIA Park and Ride has remained \$5.00 per round trip since its inception. He indicated that the department would review opportunities to expand parking in the future.

Mayor Taylor thanked staff for the presentation.

C. DEPARTMENT OF CULTURAL & CREATIVE DEVELOPMENT

Felix Padrón stated that the Cultural and Creative Development (CCD) Department supported the Creative Community by Investing in Art and Cultural Providers, Leveraging Resources, Enhancing the Urban Landscape, and Increasing Awareness. He reported that for every dollar invested; the department realizes a return of \$5.00 in Private Sector Investment. He outlined the five Department Programs:

1. Public Art San Antonio
2. Arts Funding
3. Strategic Initiatives
4. Facilities
5. SA Film Commission

Mr. Padrón noted that the Public Art Program Team was responsible for implementing the 1% Ordinance for Public Art that was adopted by City Council in September 2011. He stated that there were currently 38 Public Art Projects in all City Council Districts with an investment of \$11.8 Million. He spoke of the Strategic Initiatives Team that was responsible for implementation of the SA2020 Strategies. He noted that the Facilities Team managed La Villita, Market Square, Spanish Governor's Palace, and Mission Marquee. He reported that the San Antonio Film Commission was responsible for attracting Film Production to San Antonio and nurturing the Film Industry in San Antonio.

Mr. Padrón stated that the CCD Department had an economic impact of \$4 Million. He reported that 170 events had been held this year at La Villita and 140 events at Market Square. He highlighted the following Department Accomplishments in 2014:

- New Arts Funding Guidelines
- Enhanced access to City Cultural Activities
- New Public Art Initiatives Activated
- International Exchanges
- New Poet Laureate
- New Luminaria
- Dynamic Website

Mr. Padrón reported that the proposed FY 2015 Budget was \$13.3 Million. He mentioned that the Facilities were supported by the General Fund which would increase by \$40,000 in 2015. He spoke of the FY 2015 General Fund and HOT Fund Improvements for Mission Drive-In Operations, La Villita Accessibility, and Marketing. He outlined the Market Square Improvements that would include a Special Activities Coordinator and Bathroom Facilities Upgrade.

D. ARTS AGENCIES FUNDING

Mr. Padrón stated that Art Agency Funding was supported by the HOT which was limited up to a 15% allocation. He reported that four Community Hearings and five Cultural Arts Board Hearings were held with 161 individuals attending. He noted that the Hearings were held over a four-month period and were followed by approval of the Guidelines for implementation by City Council on May 1, 2014. He stated that 14 Application Workshops were held during the Implementation Phase. He noted that applications were reviewed and scored by five Independent Panels and Staff and final recommendations were made by the Cultural Arts Board on September 2, 2014. He reported that 62 Agencies and Artists were funded with 25 of these Agencies being funded for the first time. He stated that Art Agency Funding represented an investment of \$6 Million and represented many SA2020 Focus Areas.

Mr. Padrón stated that the Agencies and Artists funded were notified that Policy Discussions would be held with City Council to maximize the department's investment with long-term Catalytic Partners. He noted that in addition to the recommendations made by the Cultural Arts Board; staff recommended funding in the amount of \$125,000 for the Opera of San Antonio which would be the Resident Company in the Tobin Center for the Performing Arts and \$100,000 for the Briscoe Western Art Museum. He noted that two Requests for Proposals (RFPs) had been released for La Villita; one for Restaurants and one for Artist Retail Space.

Councilmember Nirenberg asked how extending Luminaria for an additional day would affect its success and programming. Mr. Padrón replied that the department would be

bringing in more talent from outside San Antonio and would focus on the Visual Arts, Stage Performances, Bands, and Other Acts. He noted that the location of the events would be spread out when compared to last year. Councilmember Nirenberg asked of the attendance at the previous Luminaria. Mr. Padrón replied that there were 300,000 attendees last year.

Councilmember Viagran asked of the percentage of local and outside participation in Luminaria. Mr. Padrón stated that that number had not been finalized but they were targeting 50% of each.

Councilmember Bernal suggested that discussions be held to review potential incentives offered to Television and Film Companies that chose San Antonio as their Set Location. Mr. Padrón stated that the City would have to make a large investment to compliment the State Investment of approximately \$2 Million per year to attract Television and Film Projects to the City.

Councilmember Gallagher asked why the Opera of San Antonio and Briscoe Western Art Museum were proposed to be funded even though they did not meet the established criteria. Mr. Padrón stated that the department felt that it would be a good investment. He noted that they planned to meet with both Agencies to make suggestions for next year's Application Process.

Councilmember Aguirre-Rodriguez asked of the timeline for the RFPs for La Villita. Mr. Padrón stated that Proposals received by the deadline would be evaluated utilizing the assistance of a Retail Consultant. He noted that the process would take 30-35 days. Councilmember Aguirre-Rodriguez asked when the selected Tenants would be notified. Mr. Padrón replied that notification would be made in early 2015. He added that the current Tenant Contracts would expire on July 31, 2015.

Councilmember Krier asked of the current Financial Prospects for the San Antonio Symphony. Mr. Padrón replied that the San Antonio Symphony was in a very good position right now and that their operating cost was \$5 Million. He stated that the Symphony and Opera would be based at the Tobin Center and this was as a positive move.

Mayor Taylor thanked staff for the presentations.

EXECUTIVE SESSION

Mayor Taylor recessed the meeting into Executive Session at 5:08 pm to discuss the following:

- A. 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).
- B. 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).
- C. Discuss legal issues related to collective bargaining pursuant to Texas Government Code Section 551.071 (consultation with attorney).
- D. Discuss legal issues related to Skyway Towers, LLC et al v. City of San Antonio pursuant to Texas Government Code Section 551.071 (consultation with attorney).
- E. Discuss legal issues related to the City's solicitation of services pursuant to Texas Government Code Section 551.071 (consultation with attorney).

RECONVENED

Mayor Taylor reconvened the meeting at 6:00 pm and announced that no action was taken in Executive Session.

CITIZENS TO BE HEARD

Mayor Taylor called upon the citizens registered to speak.

Mark Perez expressed concern with public safety and noted the various companies in San Antonio operating without the proper permits. He asked why the Development Services Department did not respond to his requests.

Al Lindsey stated that he lived in District 3 and referenced two books that he read regarding bureaucracy. He asked why agencies spent money on the same causes.

Nazirite Ruben Flores Perez noted concerns with contamination on the South Side. He stated that he concurred with City Management that tattoos should be covered up. He expressed support for equal Healthcare Benefits for Uniform and Non-Uniform Employees.

Theresa Berlanga spoke of the great use of the San Pedro Swimming Pool; however, she expressed concern that the diving boards had been removed.

Faris Hodge, Jr. submitted written testimony in opposition to the appointment of Councilmembers Saldaña and Lopez to the Fire and Police Pension Fund Board of Trustees and Councilmembers Gonzales and Lopez to the Fire and Police Pre-Funded Health Trust Fund Board of Trustees. He expressed concern that some Bexar County and City Park Restrooms do not have doors. He requested that elderly drivers follow additional driving rules. He wrote that vehicles were the main source of the city's polluted air.

ADJOURNMENT

There being no further discussion, Mayor Taylor adjourned the meeting at 6:14 pm.

APPROVED

IVY R. TAYLOR
MAYOR

ATTEST:

LETICIA M. VACEK, TRMC/MMC
CITY CLERK