

**ECONOMIC AND WORKFORCE DEVELOPMENT
COUNCIL COMMITTEE MEETING MINUTES**
TUESDAY, APRIL 3, 2018
1:30 PM
MEDIA BRIEFING ROOM

Members Present:	Councilmember Rebecca Viagran, <i>Chair, District 3</i> Councilmember Shirley Gonzales, <i>District 5</i> Councilmember Manny Pelaez, <i>District 8</i> Councilmember John Courage, <i>District 9</i> Councilmember Clayton Perry, <i>District 10</i>
Members Absent:	None
Staff Present:	Rod Sanchez, <i>Assistant City Manager</i> ; Stephanie Brosig, <i>Assistant City Attorney</i> ; Rene Dominguez, <i>Director, Economic Development Department</i> ; John Jacks, <i>Director, Center City Development Office</i> ; Adrian Perez, <i>Assistant Director, Economic Development Department</i> ; Denice F. Trevino, <i>Office of the City Clerk</i>
Others Present:	Steve Nivin, <i>Economist, St. Mary's University</i> ; Walter Downing, <i>Chair, Biomed SA</i> ; Ann Stevens, <i>President, Biomed SA</i> ; Carmen Lara, <i>City Attorney's Office, SAEDF</i> ; Shari Biediger, <i>Reporter, Rivard Report</i>

Call to Order

Chairperson Viagran called the meeting to order.

1. Approval of the Minutes from the March 6, 2018 Economic and Workforce Development Committee Meeting.

Councilmember Courage moved to approve the Minutes of the March 6, 2018 Economic and Workforce Development Council Committee Meeting. Councilmember Pelaez seconded the motion. The motion carried unanimously.

Briefing and Possible Action on:

Item 3 was addressed at this time.

3. Briefing on Biomed SA [Roderick Sanchez, Assistant City Manager; Rene Dominguez, Director, Economic Development]

Ann Stevens stated that Healthcare and Bioscience was San Antonio's leading industry sector and employed one of six in the local workforce. She noted that this sector's annual economic impact was >\$37 billion. She stated that the Healthcare and Bioscience pillars of excellence were: 1) Medical and health services; 2) Biomed research; 3) Health professions education; and

4) Bioscience Firms. She noted that the vision of the industry was for San Antonio to be recognized as a global leader in Healthcare and Bioscience. She stated that Biomed SA was founded in 2005 by former Mayor Henry Cisneros and presented the following Biomed SA mission:

- To accelerate the growth of San Antonio's Healthcare and Bioscience Sector
- To create regional economic benefit
- To contribute to the health of San Antonio and beyond by establishing San Antonio as a leader in healthcare and bioscience

She noted that the mission was accomplished by the following:

- Aligning/leveraging San Antonio's assets
- Convening/connecting players
- Identifying/mobilizing resources
- Building awareness of sector careers
- Promoting a city of science and health
- Business attraction, retention, and entrepreneurial development

She stated that through a volunteer-led effort called the Biomed SA Strategic Asset Initiative, San Antonio's unique five key biomedical assets would be leveraged to fuel economic growth and become a resource to the world. She noted that the five key focus areas were: 1) Diabetes; 2) Infectious Disease; 3) Cancer; 4) Neuroscience; and 5) Regenerative Medicine. She stated that Phase I key findings were:

- San Antonio's biomedical strength in key disease areas related to high prevalence in surrounding population and community
- Healthcare innovation required intimate relationship with "real world needs" of patients and the community

Ms. Stevens reviewed the following Phase I key recommendations:

- Build on San Antonio's established advantages
- Opportunity to align public health interests

She stated that Phase II would be launched this month with the following focus areas:

- Diabetes
- Infectious Disease
- Neuroscience
- Trauma, Wound Healing, Regenerative Medicine

She noted that the consultant would initiate research in April 2018 as part of Phase II and the findings and recommendations would be reported this fall.

Councilmember Courage asked of the number of community partners. Ms. Stevens stated that there were approximately 100 community partners.

Councilmember Pelaez asked if the city lobbied for grants. Rene Dominguez replied that it did.

Councilmember Perry asked of the breakdown of the \$37 billion in economic impact between the private sector and the military. Ms. Stevens stated that she would provide that information and stressed the importance of the military.

No action was required for Item 3.

Item 2 was addressed at this time.

2. Presentation on the 2017 Return on Investment (ROI) Analysis of Economic Development Incentives.

Dr. Steve Nivin stated that a study was conducted on the return on investment from the use of City of San Antonio Tax Incentives. He noted that the purpose of the study was to calculate a Return on Investment (ROI) for all active economic development projects in which the city had invested business incentives and staff time in generating jobs and investment for the community. He stated that there were 72 economic development incentive projects included in the study. He reviewed the date range for the study and the sources of data. He noted that the methodology for costs included the Economic Development Department staff budget minus the Small Business and International Relations Office and the value of the incentives. He stated that the methodology for revenue included: 1) Real and personal property tax revenues; 2) Sales tax revenues from new jobs created; and 3) CPS Energy revenues. He noted that a Level of Influence (LOI) was applied and the return on investment was based on revenues divided by costs. He reviewed the conservative estimate for the current model and provided the following results of the study:

Overall return to City of San Antonio from Economic Development Incentives	
Total incentive investment by City of San Antonio	\$121,073,847
Total private sector investment	\$3,686,571,815
Total revenues to city of investment	\$632,552,460
Revenues to City of San Antonio per dollar invested	\$5.22
Private sector investment per dollar of incentives	\$30.45

Councilmember Perry suggested that the public be informed of the results and that SAWS revenues be included.

Councilmember Pelaez suggested that population growth be factored into the study in the future.

Councilmember Gonzales requested a breakout of existing companies included in the study.

Chairperson Viagran requested a map noting the location of the 72 companies included in the study.

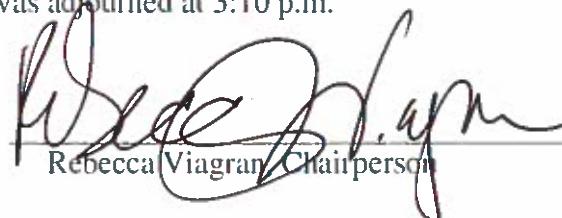
Councilmember Courage requested the effect of incentives on school districts.

Rene Dominguez stated that he would present the scope of work in the future.

No action was required for Item 2.

Adjourn

There being no further discussion, the meeting was adjourned at 3:10 p.m.



Rebecca Viagran, Chairperson

Respectfully Submitted,



Denice F. Trevino