

**ECONOMIC AND HUMAN DEVELOPMENT  
COUNCIL COMMITTEE MEETING MINUTES**

**AUGUST 2, 2016**

**1:30 PM**

**MEDIA BRIEFING ROOM, CITY HALL**

<b>Members Present:</b>	Councilmember Joe Krier, <i>Chair, District 9</i> Councilmember Roberto Treviño, <i>District 1</i> Councilmember Rebecca Viagran, <i>District 3</i> Councilmember Ray Lopez, <i>District 6</i> Councilmember Mike Gallagher, <i>District 10</i>
<b>Members Absent:</b>	None
<b>Staff Present:</b>	Lori Houston, <i>Assistant City Manager</i> ; Carlos Contreras, <i>Assistant City Manager</i> ; Katinka Howell, <i>Assistant City Attorney</i> ; Rene Dominguez, <i>Director, Economic Development Department</i> ; Tim O'Krongley, <i>Deputy Director, Aviation</i> ; Denice F. Trevino, <i>Office of the City Clerk</i>

**Call to Order**

Chairman Krier called the meeting to order.

**1. Approval of the Minutes from the June 1, 2016, June 7, 2016, and June 21, 2016 Economic and Human Development Committee Meetings.**

Councilmember Lopez moved to approve the Minutes of the June 1, 2016, June 7, 2016, and June 21, 2016 Economic and Human Development Council Committee Meetings. Councilmember Lopez seconded the motion. Motion carried unanimously.

**2. Briefing and Possible Action on the Concession Plan for Terminal A for the San Antonio International Airport.** [Carlos Contreras, Assistant City Manager; Noel T. Jones, Director, Aviation]

Tom Jones stated that numerous concessions in Terminal A operated under a month-to-month extension of their current contract. He noted that with the advent of the Terminal A/B Connector Project (Connector Project), an overall plan was developed by a consultant to address the current 13 concession locations of which six would be affected by the Connector Project; and seven would not. He reviewed an example of the layout of the Connector and Terminal A Checkpoint Expansion (Checkpoint) Projects. He noted that said layout was developed by the consultant and not the selected Architectural Firm and therefore, was not the final design. He stated that the final design would be brought before the full City Council for consideration in September or October 2016. He noted that development of the design was expected to take one year and that the distance between Terminal A and Terminal B was 1,500 to 1,600 feet. He stated that according to the consultant, there was a likelihood that an expansion of the current Terminal A Checkpoint would occur. He noted that the consultant took that into consideration when creating the layout. He stated that the 13 concessions referred to include:

1. Starbucks
2. Simply Books
3. InMotion
4. Stars of San Antonio
5. Brookstone
6. VinoVolo
7. Dunkin Donuts
8. Cane's
9. Natalie's
10. Blimpie
11. Gervin's The Iceman's Bar & Grill
12. Marcy's Travel Center
13. Coffee Cart

Mr. Jones stated that Marcy's Travel Center was located outside of the Checkpoint and the new Coffee Cart would be located in the Baggage Claim Area. He recommended extended terms through June 21, 2018 with two, 1-year options for said concessions. He stated that the following concessions were located where the Checkpoint expansion might occur, regardless of the design:

1. Inmotion
2. Stars of San Antonio
3. Brookstone
4. VinoVolo
5. Simply Books
6. Dunkin' Donuts

Mr. Jones stated that staff recommended an extended term through June 31, 2018 with two, 1-year extensions. He noted that staff requested that Starbucks/Simply Books handle the Starbucks line as part of the extension. He stated that staff recommended utilization of a Prime Concessionaire and noted that City Council authorized the first Prime Concessionaire in 2012. He reported that Prime Concessionaires were:

- Industry experts on what concepts worked well
- Familiar with the Airport Concession Disadvantaged Business Enterprise (ACDBE) Program (SBEDA would not apply)
- Support for training, operations, and employee base

Mr. Jones stated that the Request for Proposals (RFPs) would include:

- Two quick serve concept locations
- One casual dining bar and grill location
- One snack concept location
- One branded specialty coffee location with a deli and/or bakery type food offerings (pre-security)
- One coffee cart concept (pre-security/baggage claim)

Mr. Jones noted that the RFP would include:

- Increased San Antonio Branding (at least three local concepts)
- Healthy Food

He stated that the RFP would include the following potential food concepts:

- ❖ Asian
- ❖ BBQ
- ❖ Chicken
- ❖ Deli Sandwiches
- ❖ Italian
- ❖ Seafood
- ❖ Other

Mr. Jones reviewed the following terms and schedule of items of the RFP:

- 10-year term
- ACDBE Goal of 33%
- Extension of Contracts Schedule (Target City Council Date: October 2016)
- Prime Concession Schedule:
  - EHDC/Audit Subcommittee (August 2016)
  - Release of RFP (September 2016)
  - RFP issued (September 2016)
  - RFP deadline for submission (November 2016)
  - Target City Council Date (February/March 2017)

Chairman Krier asked of the timeline resulting from the RFP. Mr. Jones stated that the results of the RFP would be received after February/March 2017. Chairman Krier noted that the distance between the two terminals might be a challenge for Seniors. The Committee discussed the possible installation of a moving sidewalk.

Councilmember Gallagher suggested the utilization of an overhead escalator. Mr. Jones stated that the consultant identified a number of challenges associated with such a design.

Councilmember Lopez asked of examples when a traveler would be required to travel from Terminal A to Terminal B. Mr. Jones stated that the need for a traveler to go from Terminal A to Terminal B could be due to:

- Merging of American and US Air (flight arrival in Terminal A and departure from Terminal B)
- Crowding in Terminal A
- Concession offerings in both terminals

Carlos Contreras stated that staff was reviewing the utilization of common use gates.

Councilmember Viagran asked of the amount of the Prime Concessionaire Contract. Mr. Jones reported that the amount of the RFP was \$10.9 million over 10 years. Councilmember Viagran

asked of the amount for the six individual concessions. Mr. Jones replied that he would provide said information to Committee Members.

Councilmember Treviño suggested that architectural concepts developed for Terminal A, Terminal B, and the CONRAC be tied together.

No action was required for Item 2.

**3. Briefing on the Red Berry Development.** [Lori Houston, Assistant City Manager; John Jacks, Interim Director, Center City Development and Operations]

Lori Houston reviewed the background for the Red Berry Development. She reported that a P3 was initiated to:

- Preserve the grounds
- Revitalize the lake
- Provide for mixed use
- Provide for connectivity
- Add value to the neighborhood

She reported that the Red Berry Redevelopment would include:

- ❖ Renovation of the mansion
- ❖ 324 Multi-Family Units
- ❖ Roads and utilities
- ❖ Hike and Bike Trails
- ❖ Pedestrian connection to Salado Creek
- ❖ Future commercial tract

She reviewed the Early Conceptual Site Plan and noted that the Redevelopment included the following public contributions:

<b>SOURCE</b>	<b>AMOUNT</b>
Bexar County Funding (Red Berry Mansion Restoration and drainage improvements)	\$2,835,000
Inner City Tax Increment Reinvestment Zone (TIRZ)	\$1,554,273
*Fiscal Year (FY) 2017 CDBG Funds (Public Infrastructure)	\$1,480,931
San Antonio Water System (SAWS) Fee Waivers	\$ 500,000
City Fee Waivers	\$ 102,825
<b>TOTAL</b>	<b>\$6,473,029</b>

**\*Housing Council Committee approved on April 20, 2016 and City Council will consider on August 4, 2016**

Mrs. Houston reviewed the next steps which were to:

- ❖ Negotiate and execute an Incentive Agreement with NRP Group, City, and Inner City TIRZ Board (October 2016)

- ❖ Negotiate and execute a conveyance document with the Public Facilities Corporation (PFC) (October 2016)

Chairman Krier asked of the level of restoration to be completed on the mansion. Mrs. Houston replied that staff was working with the Office of Historic Preservation (OHP) and noted that the developer would perform an adaptive reuse restoration of the mansion.

Councilmember Viagran asked of the source of funds for the Hike and Bike Trail and the Multi-Family Housing Units. Mrs. Houston stated that the Hike and Bike Trail was supported by CDBG Funds and the Multi-Family Housing Units would be supported by Inner City TIRZ Funds.

Mrs. Houston stated that staff would present the solicitation at the August 2016 meeting to the Committee after presentation to the PFC and the Inner City TIRZ and prior to submission to the full City Council for consideration in October 2016.

No action was required for Item 3.

### **Adjourn**

There being no further discussion, the meeting was adjourned at 2:22 p.m.

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Joe Krier, Chairman

Respectfully Submitted,

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Denice F. Trevino