



RON NIRENBERG
MAYOR
CITY OF SAN ANTONIO
TEXAS



NELSON W. WOLFF
JUDGE
COUNTY OF BEXAR
TEXAS

August 3, 2017

Ambassador Robert E. Lighthizer
United States Trade Representative
Office of the United States Trade Representative
600 17th Street NW
Washington, DC 20508

Re: NAFTA Renegotiations

Dear Ambassador Lighthizer:

We commend the Administration's recognition that we must do no harm to American jobs and businesses that depend on trade with Mexico and Canada. The City of San Antonio is an international city with strong, long-standing cultural, historical and commercial ties with Mexico and, increasingly, with Canada. San Antonio played a significant role in the North American Free Trade Agreement (NAFTA), and, as one of the only large U.S. cities to give unconditional support to its passage, was selected as the site for the agreement's ceremonial signing between the Presidents of the U.S. and Mexico and the Prime Minister of Canada, on October 7, 1992. The trade agreement has been a great success for our city and region and we continue to have a significant stake in its many important benefits.

NAFTA has provided San Antonio companies an opportunity to increase the import of competitively priced goods and the export of services that has led to growth in local businesses and the local economy. Many of San Antonio's largest corporations conduct substantial trade with Mexico and Canada and acknowledge and experience the geographic benefits from San Antonio's strategic location. Mexico plays a key role in global supply chains for San Antonio companies such as HEB, Valero and Toyota, and the NAFTA has supported these supply chains and facilitated business efficiencies. In fact, there are 16 Mexican companies and 15 Canadian companies that have invested in San Antonio. As an example, two Toronto companies – Avison Young and Millennium 1 Solutions – account for a recent combined capital investment of \$31 million USD.

Because on the number of large businesses which benefit from NAFTA, as well as our geographic location at the center of NAFTA territory, and our historical support, San Antonio respectfully requests consideration to host one of the negotiation rounds in our great city.

For San Antonio, NAFTA's impact is particularly significant. A recent analysis by the SABER Research Institute concluded that NAFTA created 63,204 direct jobs in the San Antonio economy, and when multiplier effects are considered, the number of NAFTA-related jobs jumps to 135,311 "earning incomes of \$7.2 billion." The analysis found that the most jobs were created in the professional services, education and health sectors in San Antonio,

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with each of those groups gaining more than 12,000 jobs. Additionally, trade, transportation and utilities each gained more than 9,000 jobs in San Antonio through NAFTA.

San Antonio has also built direct connections with our neighbors to the north via a non-stop flight to Toronto, Canada. This recently added connection proves our commitment to continuing to strengthen our relationship with Canada and strengthen ties in trade and investment with companies and organizations in the Toronto region. In 2015, Canada was San Antonio's top foreign market, accounting for 32% of its total goods exports. While the elimination of tariff and nontariff barriers under NAFTA increased total U.S. trade with Mexico 297 percent (in inflation-adjusted terms) from 1994 to 2015, Canada also grew an astounding 87 percent since adoption of the NAFTA.

In closing, San Antonio and NAFTA are historically and intrinsically bound together. The economic impact that NAFTA has had on our city and that we anticipate will continue having has been fruitful to all partners involved. San Antonio will celebrate its Tricentennial in 2018, a time to commemorate our city's history. With this in mind, we cordially extend an invitation to host the Presidents and Prime Minister of NAFTA countries for the signing of the updated agreement once negotiations are completed.

We look forward to the new NAFTA to operate under a system that works more efficiently and provides balanced trade for all.

Sincerely,



Ron Nirenberg
Mayor, City of San Antonio



Nelson W. Wolff
County Judge, Bexar County

The Honorable John Cornyn, United States Senator
The Honorable Ted Cruz, United States Senator
The Honorable Henry Cuellar, United States Representative
The Honorable Lloyd Doggett, United States Representative
The Honorable Will Hurd, United States Representative