



# Corporation Governing Documents and ILA

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# BACKGROUND

- ❖ August 9, 2012 – City Council authorized the establishment of the San Antonio Early Childhood Development Corporation to oversee implementation of the Pre-K 4 SA initiative under Chapter 379A of the Texas Local Government Code.
- ❖ November 6, 2012 – voters passed a 1/8<sup>th</sup> of a cent sale and use tax for a period of eight years to provide for the Pre-K 4 SA initiative, in accordance with Chapter 379A of the Texas Local Government Code
  - Reauthorized on November 3, 2020.
- ❖ November 3, 2020 – voters passed a 1/8<sup>th</sup> of a cent sale and use tax for a period of four years to provide for the SA Ready to Work initiative, in accordance with Chapter 379A of the Texas Local Government Code.

# BETTER JOBS ACT

- The Act authorizes a City, through its governing body to create a municipal development corporation to develop and implement programs for:
  - job-training;
  - early childhood development;
  - after school programs;
  - scholarships to accredited postsecondary educational institutions;
  - promotion of literacy; or
  - other programs that directly facilitate the development of a skilled workforce.
- Corporation bylaws are adopted by the Board of Directors and approved by City Council.
  - Changes made to the bylaws must be approved by City Council.
  - City Council approved the Corporation bylaws on January 31, 2013.

# AMENDED BYLAWS AND ARTICLES

- The City Attorney's Office drafted amendments to the Bylaws and Articles of Incorporation to allow for inclusion of the SA Ready to Work Initiative.
- Pre-K 4 SA Corporate attorneys (Thompson & Horton) reviewed and made additional recommendations.
- Should the Board of Directors vote to approve these amendments, the amended Bylaws and Articles of Incorporation must go to City Council for approval.

# BETTER JOBS ACT CONT.

- The Better Jobs Act allows for the creation of only one municipal development corporation to develop and implement workforce initiatives.
- Under the Better Jobs Act, the Corporation can contract or enter into a memorandum of understanding or a similar agreement with a public or private person, including local workforce development boards or any political subdivision, in connection with a program authorized by this chapter.

# INTERLOCAL AGREEMENT

- The proposed Interlocal Agreement (ILA) would assign administrative responsibility of the SA Ready to Work Initiative from the San Antonio Early Childhood Education Municipal Development Corporation to the City of San Antonio.
- Under the ILA, the Corporation is responsible for:
  - Paying all funds authorized for the SA Ready to Work Initiative to the City for implementation of the program;
  - Annually approve the budget for the Program; and
  - Maintaining the corporate status of the Municipal Development Corporation.

# INTERLOCAL AGREEMENT CONT.

- Under the ILA, the City is responsible for:
  - Preparing the annual budget for the Program;
  - Maintain all records applicable to the Program;
  - Utilize all funds paid by the Corporation to fund the Program;
  - Contract by written Agreement separate from this Agreement, with for-profit and non-profit entities for services in connection with the Program and for the performance of any of City's responsibilities under this Agreement; and
  - Establish a process to identify eligible participants in the Program.

# RECOMMENDATION



Staff recommends Board approval to amend the Corporation's Bylaws and Articles of Incorporation to include the SA Ready to Work Initiative, and authorize an Interlocal Agreement with the City of San Antonio for administration of the SA Ready to Work initiative.



Questions?