

**INTERGOVERNMENTAL RELATIONS COUNCIL COMMITTEE
SPECIAL MEETING MINUTES
WEDNESDAY, APRIL 22, 2015
5:00 PM
PLAZA ROOM B, MUNICIPAL PLAZA BUILDING**

Members Present:	Councilmember Joe Krier, Chair, <i>District 9</i> Councilmember Alan Warrick, <i>District 2</i> Councilmember Mike Gallagher, <i>District 10</i>
Members Absent:	Councilmember Rebecca Viagran, <i>District 3</i> Councilmember Ray Lopez, <i>District 6</i>
Staff Present:	Carlos Contreras, <i>Assistant City Manager</i> ; Veronica Zertuche, <i>Deputy City Attorney</i> ; Lisa Biediger, <i>Assistant City Attorney</i> ; Jeff Coyle, <i>Director, IGR</i> ; Sally Basurto, <i>Assistant Director, IGR</i> ; Christine Wright, <i>IGR</i> ; Megan Dodge, <i>IGR</i> ; Eduardo Carrasco, <i>IGR</i> ; Charles Mazuca, <i>District 9</i> ; Justin Renteria, <i>District 9</i> ; Paul Jimenez, <i>District 10</i> ; Alexander J. Pytel, <i>Office of the City Clerk</i>
Others Present:	Jeff Arndt, <i>President, VIA</i> ; Lorraine Pulido, <i>VIA</i> ; Drew Joseph, <i>San Antonio Express News</i> ; Jeff Judson, <i>Heartland Institute</i>

Item 1. 84th State Legislative Session update on the status of proposed legislation [Jeff Coyle, Intergovernmental Relations Director]

Committee Hearings for Bills

Local Preference

Mr. Jeff Coyle stated that Senate Bill (SB) 1998 sponsored by Senator Menendez was heard last week and expected to be voted out of Committee next week. He noted that House Bill (HB) 3193 sponsored by Representative Bernal was heard yesterday and Troy Elliott had testified in support.

Mr. Coyle reported that the Texas Legislature had previously changed the law to allow Local Preference Points to be granted for Low Bid Contracts in which price was the only determining factor of award. He noted that in addition to Low Bid Contracts, the City of San Antonio could also award Local Preference Points in Discretionary Contracts but could not do so in Non-Discretionary Contracts which include Requests for Competitive Sealed Proposals (RFCSP) as a significant portion of the City's Contracts. He noted that RFCSPs were procurements in which price was a factor in addition to other criteria such as experience, qualifications, and background. He stated that the City was seeking the ability to apply Local Preference Points to those contracts which would be at the discretion of the City Council. Mr. Coyle further noted that the bills included language that would allow a municipality the discretion to decide local geographical parameters.

Annexation

Mr. Coyle spoke to HB 2669 which would allow an area to incorporate if targeted for Annexation. He stated that the annexing city would be required to release the targeted area from Extra Territorial Jurisdiction and allow the area to incorporate. He noted that one resident of Alamo Ranch testified in support of the bill and that Peter Zanoni spoke of the City's Annexation Program and the process

currently in place with regard to Texas State Law. He mentioned that the Bill was unlikely to leave Committee Consideration.

Tax Credits for Low Income Housing

Mr. Coyle described earlier sessions in which there was an initiative to allow the Texas Department of Housing and Community Affairs to award tax credits for projects in blighted areas. However, due to a recent court case, tax credits were now being distributed to communities of opportunity with the effect of making redevelopment areas ineligible.

Mr. Coyle noted that the Representative from Fort Worth presented language which would enable areas that receive four or more tax credits a year to allow a top-ranked area of revitalization to receive tax credits. He stated that this would ensure that at least one project receives credits per given year. He reported that the language had been approved by the State Agency and bracketed for Fort Worth, Dallas, and Houston and after meeting with the sponsor; it was agreed that the bracket will be expanded to include San Antonio. He stated that it will prevent the City from being denied tax credits for communities that are not located in areas of opportunity.

Chairman Krier asked how HB 3535 aligns with HB 1719 sponsored by Senator Campbell. Mr. Coyle responded that HB 1719 would allow a statement of support from an individual Councilmember or County Commissioner to be considered in applying award points.

City Regulation of State Licenses

Mr. Coyle reported that HB 3263 sponsored by Representative Guillen was filed this past session and states that if the State awards a license to a particular occupation; the City cannot regulate that occupation. He noted that this would cause conflicts with City Ordinances currently in place. He mentioned Payday Lenders as an example of a position that is licensed by the State but is regulated at the Local Level. He stated that the City registered in opposition against the Bill.

Groundwater Permitting

Mr. Coyle mentioned that currently, Groundwater Districts can elect not to renew their permits when they expire at approximately 5-year intervals. As a result, he described the Groundwater Permitting Bill as a SAWS Initiative to encourage long term investments in infrastructure and commitments of water by extending the duration of groundwater permits to no less than 30 years. He noted that a compromise was reached which entailed automatic renewal of permits if aquifer conditions did not undergo a significant change. He stated that the City registered in support of the Bill.

DPS Diversion for Transportation Funding

Mr. Coyle stated that SB 139, which included an adjoining Constitutional Amendment that would go to a public vote, was heard in Senate Finance this week and would require DPS to be funded out of the General Fund like all other State Agencies. He reported that the Bill would free up money for transportation initiatives in the Gas Tax Fund and require that the Legislature appropriate General Funds and Revenue to the Department of Public Safety.

Chairman Krier asked for confirmation that a quarter of the Gas Tax Fund that is allocated to Public Education was not impacted. Mr. Coyle confirmed that the Public Education Allocation was not included or compromised in any discussion.

Missions Resolution

Mr. Coyle reported that there was a Missions Resolution heard this week and that Representative McClendon had sponsored a Bill earlier in the session regarding same. He noted that Representative Galindo also wanted to sponsor a bill and generate more attention for the issue and that Senator Uresti was planning to propose a bill for Senate Consideration next week. He stated that the City registered in support of same.

Legislature Authorization for Federal Grants

Mr. Coyle spoke to HB 3606 which would require State Approval before any Federal Funding could be utilized by a community. He noted that the City would register in opposition alongside other Texas Cities.

Bills That Are Moving

Municipal Courts

Mr. Coyle stated that HB 897 has moved out of the House Committee and is currently in Calendars where it was tagged by a member for further review. He noted that the Senate Bill is awaiting hearing and that the Chairwoman of the Committee strongly believes that a live court reporter should be present in every case. He explained that State Law, as it relates to Municipal Courts, allows 38 other cities to use recording devices in courtrooms with the exception of San Antonio. He noted that the Bills were facing some opposition.

Syphilis Testing

Mr. Coyle stated that HB 2906 was voted out of Committee and that SB 1128 has passed Senate Approval.

Fire Sprinklers

Mr. Coyle stated that HB 3089 and HB 4011 were voted out of Committee Consideration yesterday.

Annexation

Mr. Coyle reported that HB 2221 which would eliminate Limited Purpose Annexation was voted out of Committee Consideration. He noted that the City opposes the Bill.

Eminent Domain

Mr. Coyle reported that SB 479 and SB 474 had passed Senate Approval. He spoke of SB 474 which states that if a city uses Eminent Domain to acquire a property and the offer made is found to be 20% higher by an administrative process or a court; the city is responsible for all attorney's fees associated with the landowner's legal team. He noted that this would incentivize landowners to hire as much legal aid as possible to ensure that the fees would be paid by the city. He stated that the City had opposed the Bills and that they had passed out of Senate, but had not yet been heard in the House.

Military

Mr. Coyle addressed HB 1639 and HB 1640 and noted that they were voted out of Committee.

Alamo

Mr. Coyle addressed HB 2968 which was heard last week and was voted out of Committee. He noted that funding would be included in the Senate Budget, rather than appropriated by the Bill. He stated that the Bill would direct the City and the General Land Office (GLO) to work together on a Master Plan and would create an Alamo Advisory Board which would make advisory recommendations to

the GLO on future improvements to the Alamo. He noted that the Bill generated attention for the Alamo.

Low Income Housing Tax Credit

Mr. Coyle noted that SB 1719 was pending a hearing. He reported that the Bill would allow individual Councilmembers to weigh in on the Low Income Tax Credit Scoring Process. He noted that under the award criteria, a Resolution from the governing body of a municipality would carry the most influence while a statement of support from a member of that elected body would carry less influence but still be factored into the award.

Councilmember Warrick asked if there was anything included in the legislation that addresses educational facilities in disadvantaged areas. Mr. Coyle responded that the Bill was being bracketed to include San Antonio and allow for at least one Housing Tax Credit Award per calendar year for blighted areas.

Councilmember Warrick moved to send a Letter of Support for SB 1719. Councilmember Gallagher seconded the motion. The motion carried unanimously by those present.

Chairman Krier asked for an update on the VIA Legislation as it impacts the City's Proposed Charter Amendment. Mr. Coyle responded that the proposed Charter Amendment would require the City to hold a citywide election before any money could be spent on Streetcars or Light Rail. He noted that the VIA Legislation would require VIA to hold an election at their expense and have the added benefit of including all citizens in VIA's Service Area regardless of municipality. He further noted that language was included to ensure that if the State Legislation passed in addition to the City's Charter Amendment; the State Legislation would override the City's Charter Amendment to ensure that only one election would have to be held.

Mr. Jeff Arndt spoke of the City of Houston's Ordinance calling for an election in the entire metro service area which included cities outside of Houston and was granted by the State Legislature. He noted the City of Austin's authority to hold elections on rail projects throughout their entire service area and stated that the State Legislation broadens the City's Proposed Charter Amendment regarding Light Rail and Streetcars. He reported that VIA services 13 cities in Bexar County.

Mr. Jeff Judson noted that the proposed Charter Amendment had yet to be decided by the voters.

Chairman Krier noted the importance of deciding the date of the proposed election and the language on the ballot.

Councilmember Gallagher noted that the importance of public opinion as well as the consideration of the entire VIA Service Area in calling an election.

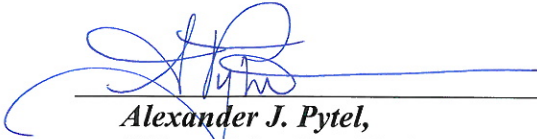
Mr. Carlos Contreras noted that the ballot language would have to be approved by the State Attorney General. Chairman Krier asked Mr. Coyle to petition Senator Larson to defer a Hearing for his legislation until the full City Council could meet on the issue next week.

Mr. Coyle reported that the Transportation Network Companies (TNC) Bill was just passed out of Committee Consideration. He reported that the insurance requirements as specified in the Legislation were almost identical to the City's TNC Ordinance and that updates would be provided as the Bill moved forward.

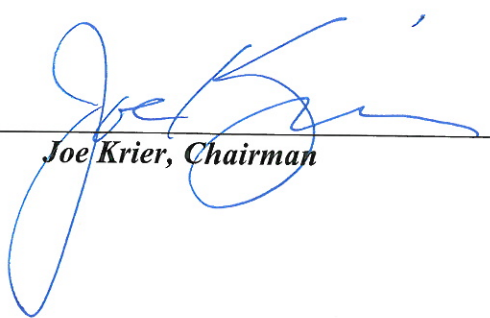
Adjourn

There being no further discussion, the meeting was adjourned at 5:44 pm.

Respectfully Submitted,



*Alexander J. Pytel,
Office of the City Clerk*



Joe Krier, Chairman

