



City of San Antonio

Legislation Details (With Text)

File #: 21-3292

Type: Miscellaneous Item

In control: City Council A Session

On agenda: 5/20/2021

Title: Ordinance approving an Interlocal Agreement with the San Antonio Early Childhood Education Municipal Development Corporation for administration of the SA Ready To Work Initiative; amendments to the San Antonio Early Childhood Education Municipal Development Corporation Bylaws and Articles of Incorporation; the SA Ready to Work FY 2021 Budget for revenues and expenses from March 1, 2021 to June 30, 2021; and the Pre-K 4 SA and SA Ready To Work FY 2022 Budgets for the fiscal year beginning July 1, 2021 and ending on June 30, 2022 as adopted by the San Antonio Early Childhood Education Municipal Development Corporation Board of Directors. [Alejandra Lopez, Assistant City Manager]

Sponsors:

Indexes:

Code sections:

Attachments: 1. Pre-K 4 SA FY 2022 Adopted_Fund Schedule, 2. Pre-K 4 SA FY 2022 Adopted_Personnel Complement, 3. Amended Bylaws, 4. Certificate of Amendment (Amended Articles of Incorporation), 5. DRAFT ILA City Workforce PrekSA, 6. SARTW Fund Schedule FY2022, 7. Ready to Work Personnel Complement 2022, 8. Ordinance 2021-05-20-0362

Date	Ver.	Action By	Action	Result
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DEPARTMENT: City Manager’s Office

DEPARTMENT HEAD: Alejandra Lopez, Assistant City Manager

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Governance and Budgetary Items related to the San Antonio Early Childhood Education Municipal Development Corporation

SUMMARY:

Consideration of the following items related to the City’s Pre-K 4 SA Program and SA Ready to Work Program:

- A. An Ordinance authorizing an Interlocal Agreement between the City of San Antonio and the San Antonio Early Childhood Education Municipal Development Corporation for administration of the SA Ready To Work Program;
- B. Authorizing amendments to the San Antonio Early Childhood Education Municipal Development

Corporation Bylaws and Articles of Incorporation;

- C. Approving the Pre-K 4 SA FY 2022 Budget for the fiscal year beginning July 1, 2021 and ending on June 30, 2022 in the amount of \$45,884,267.00, and personnel complement as adopted by the San Antonio Early Childhood Education Municipal Development Corporation Board of Directors on May 13, 2021; and
- D. Approving the SA Ready To Work FY 2021 Budget for revenues and expenses projected to be incurred between March 2021 and June 20, 2021 and the FY 2022 Budget for the fiscal year beginning July 1, 2021 and ending on June 30, 2022 in the amount of \$22,703,476, and personnel complement as adopted by the San Antonio Early Childhood Education Municipal Development Corporation Board of Directors on May 13, 2021.

BACKGROUND INFORMATION:

On August 9, 2012, the San Antonio 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, commonly known as the 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.

In July 2020, Mayor Nirenberg appointed a Workforce and Education Leadership Task Force to reassess community workforce development priorities and identify strategies beyond the immediate crisis. This task force included leaders from education, workforce development, asset-building, business, community organizations, representatives from labor, economic development, and philanthropy, with Council Members Rebecca Viagran and Adriana Rocha Garcia serving as liaisons.

On August 13, 2020, City Council ordered an election to be held on November 3, 2020 to authorize a 1/8th of a cent sales tax not to extend beyond December 31, 2025 to provide for the SA Ready to Work initiative, in accordance with Chapter 379A of the Texas Local Government Code. On November 3, voters approved the SA Ready to Work ballot initiative. In addition, voters approved an additional eight-year reauthorization of the 1/8th of a cent sales tax that funds the Pre-K 4 SA program, funding the program through 2029.

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. The San Antonio Early Childhood Education Municipal Development Corporation Board of Directors voted on March 2, 2021 to approve an Interlocal Agreement with the City of San Antonio for administration of the SA Ready to Work initiative.

Corporation bylaws and any amendments to the San Antonio Early Childhood Education Municipal Development Corporation Bylaws and Articles of Incorporation are adopted by the Board of Directors and

approved by City Council. City Council approved the Corporation bylaws on January 31, 2013. The San Antonio Early Childhood Education Municipal Development Corporation Board of Directors voted on March 2, 2021 to adopt amendments to the Corporation Bylaws and Articles of Incorporation for inclusion of the SA Ready to Work initiative.

Last week during the May 12 “B” Session, City Council was provided with an informational briefing on the Pre-K 4 SA FY 2022 Annual Budget, and the SA Ready to Work FY 2021 Annual Budget and FY 2022 Proposed Budget.

The Pre-K 4 SA FY 2022 Annual Budget was adopted by the Board of Directors on April 6, 2021. Amendments to the Pre-K 4 SA FY 2022 Annual Budget were adopted by the Board of Directors on May 13, 2021. The SA Ready to Work FY 2021 Annual Budget and FY 2022 Annual Budget were adopted by the Board of Directors on May 13, 2021.

ISSUE:

This ordinance authorizes governance and budgetary items related to the San Antonio Early Childhood Education Municipal Development Corporation for administration of the Pre-K 4 SA and SA Ready to Work Programs.

The amendments to the Corporation Bylaws and Articles of Incorporation add:

- The workforce development program to the corporation’s purposes;
- The ability to contract with the City to oversee and implement the workforce development program; and
- Specific responsibilities for the workforce development program that mirror that which is required for the early childhood program.

The Interlocal Agreement delegates oversight of the SA Ready to Work program to the City, and sets forth the roles and responsibilities of both the Corporation and the City regarding implementation of the SA Ready to Work program.

ALTERNATIVES:

The Council could vote not to proceed with the authorization of Interlocal Agreement for administration of the SA Ready to Work initiative by the City of San Antonio. In this case, the San Antonio Early Childhood Education Municipal Development Corporation would maintain these functions directly.

In addition, City Council could choose to not approve the FY 2022 Pre-K 4 SA and SA Ready to Work Budgets and request changes to the budgets. In this event, the San Antonio Early Childhood Education Municipal Development Corporation Board of Directors would need to amend their adopted Budgets and forward the budgets to the City Council for approval.

FISCAL IMPACT:

These actions will not impact the City's General Fund Budget. The FY 2022 Pre-K 4 SA program Budget, as adopted by the Board of Directors on April 6, 2021, is \$45,884,267.00. The FY 2022 SA Ready to Work program Budget, as adopted by the Board of Directors on May 13, 2021, is \$22,703,476 and the FY 2021 SA

Ready to Work is \$277,400.

This action will also allow for any budget adjustments necessary to reflect internal services and indirect cost assessments originally authorized in the City's FY 2021 budget.

RECOMMENDATION:

Staff recommends approval of an Interlocal Agreement between the City of San Antonio and the San Antonio Early Childhood Education Municipal Development Corporation for administration of the SA Ready To Work Initiative; amendments to the San Antonio Early Childhood Education Municipal Development Corporation Bylaws and Articles of Incorporation; and the Pre-K 4 SA and SA Ready To Work Budgets as adopted by the San Antonio Early Childhood Education Municipal Development Corporation Board of Directors.