



City of San Antonio

Legislation Details (With Text)

File #: 20-2520

Type: Miscellaneous Item

In control: City Council A Session

On agenda: 5/21/2020

Title: Ordinance approving \$250,000.00 from the Economic Development Incentive Fund (EDIF) to determine preliminary alignment and feasibility for an east/west connector between Pleasanton Road and Highway 281 South. [Carlos Contreras, Assistant City Manager; Alejandra Lopez, Director, Economic Development]

Sponsors:

Indexes:

Code sections:

Attachments: 1. Contracts Disclosure Form, 2. Agreement, 3. Draft Ordinance, 4. Ordinance 2020-05-21-0340

Date	Ver.	Action By	Action	Result
5/21/2020	1	City Council A Session		

DEPARTMENT: Economic Development

DEPARTMENT HEAD: Alejandra Lopez

COUNCIL DISTRICTS IMPACTED: 3

SUBJECT:

Approval of \$250,000 from the Economic Development Incentive Fund (EDIF) to conduct a study to determine preliminary alignment and feasibility for an east/west connector between Pleasanton Road and Highway 281 South.

SUMMARY:

This item seeks to approve \$250,000 from the Economic Development Incentive Fund (EDIF) to study a planned road between Pleasanton Road and Highway 281 South, a portion of an arterial road in the Major Thoroughfare Plan that will provide east-west connectivity to the Southside of San Antonio. The study will be performed by Pape-Dawson through its On-Call Traffic Engineering Services Agreement approved by City Council through Ordinance No. 2018-10-11-0818.

BACKGROUND:

In the last two decades the neighborhoods south of Interstate 410 and near Highway 281 have transitioned from largely agricultural to advance manufacturing, residential, and higher education. The Toyota production facility employs 3,200, and with 23 on-site suppliers, total employment at the plant site exceeds 7,200. The TJX distribution center employs over 1,000. Enrollment at Texas A&M San Antonio now exceeds 6,500, increasing

340 percent since it became a stand-alone university in 2008, and plans to grow to 25,000 students by 2025. Next to the campus, the master planned VIDA San Antonio is designed for a mix of 5,700 residential units. The Navistar production facility will employ 600 initially, with future employment increases possible. Navistar is also exploring the potential of an onsite supplier network.

The City utilizes the Major Thoroughfare Plan (MTP) to identify the location, alignment and function of roadway facilities that are needed to meet projected long-term growth for the San Antonio area. The MTP has several east-west arterials routed south of Interstate 410 due to the lack of connectivity in this direction on the Southside. The arterial study also aligns with infrastructure and transportation improvements called for in the City's *SA Tomorrow* comprehensive plan for the Texas A&M University/Toyota regional center, as well as the development of a large master planned area. This arterial road would also support the growing advanced manufacturing hub on the Southside of San Antonio, one of the targeted industries in *Forefront SA*, the community's economic development strategic plan.

ISSUE:

As part of the recruitment of the Navistar production facility to San Antonio in 2019, staff offered \$250,000 in Economic Development Incentive Funds restricted to a study of an east-west arterial roadway depicted in the Major Thoroughfare Plan. Additional incentives to Navistar approved by City Council included a 10-year, 100%, real and personal property tax abatement, a Chapter 380 Economic Development Incentive Fund (EDIF) grant in the amount of \$750,000, City and SAWS impact fee waivers, a CPS Energy E16 Economic Development Incentive Rate Rider, and nominating of Navistar as a Texas Enterprise Zone Project. In return, Navistar committed to invest \$126.2 million in personal property and \$108.8 million in real property over four years, creating 598 full-time jobs, and exclusively using CPS Energy and SAWS for the term of the agreement. In addition, over five years, Navistar will also invest at least \$348,000 on paid internships and at least \$1.04 million to promote sustainability initiatives and employee wellness initiatives.

As development of the Navistar production facility begins, the need for the study of an east-west arterial has increased. To expedite this work, staff proposed the use of the On-Call Traffic Engineering Services Agreement with Pape-Dawson. City Council authorized this agreement through Ordinance No. 2018-10-111-0818 and capacity for the planned work exists with this agreement.

ALTERNATIVES:

City Council may choose not to approve the Economic Development Incentive Funding for this purpose. However, this would not uphold part of the offer made to secure the Navistar production facility in San Antonio. Staff could also conduct a separate solicitation to identify an engineering firm to perform this work. However, this solicitation would take more time and staff resource, along with delaying the completion of the study.

FISCAL IMPACT:

Funds in the amount of \$250,000 are available from the EDIF FY 2020 Adopted Budget.

RECOMMENDATION:

Staff recommends the approval of \$250,000 from the Economic Development Incentive Fund to study a planned road between Pleasanton Road and Highway 281 South.

