



City of San Antonio

Agenda Memorandum

File Number:16-1431

Agenda Item Number: 1.

Agenda Date: 2/10/2016

In Control: City Council B Session

DEPARTMENT: Economic Development

DEPARTMENT HEAD: Rene Dominguez

COUNCIL DISTRICTS IMPACTED: City-wide

SUBJECT:

Presentation on Forefront SA, the community strategic plan for economic development by the San Antonio Economic Development Foundation (SAEDF) and presentation on the 2016 SAEDF Economic Development Services Agreement presented by the City of San Antonio Economic Development Department (EDD).

SUMMARY:

The San Antonio Economic Development Foundation will present an update on Forefront SA, the community strategic plan for economic development and the City of San Antonio Economic Development Department will present an overview of the FY 2016 SAEDF Professional Services Agreement (Strategic Plan Implementation Agreement), which includes \$90,000 for SAEDF to administer the Texas/Japan Office Agreement.

BACKGROUND INFORMATION:

As a result of a 2008 Corporate Retention and Recruitment Sub Committee recommendation to enhance the City's focus on corporate retention and overall economic development delivery system, the City of San Antonio entered into a 5-year agreement with the SAEDF for a public-private partnership formalized in the FY 2011-2015 Economic Development Service Agreement. The partnership required an annually adopted Action Plan that set forth scope and metrics for economic development marketing, recruitment and coordination of a corporate retention and expansion program. The Action Plan also required SAEDF lead the development and implementation a citywide, comprehensive strategic plan for economic development.

To fulfill the goal of developing a strategic plan, Deloitte Consulting was contracted by SAEDF to examine how effectively our community was executing on delivering economic development services. Deloitte executed a SWOT analysis, competitiveness assessment, and industry analysis. The study identified and prioritized particular subsectors within San Antonio's targeted industries and a series of short and long-term tactics to enhance the local economic development delivery system. In February of 2013, several economic development agencies were assembled, including the City of San Antonio, as the Strategic Plan Coordinating Council which evaluated the

tactics and strategies recommended by the Deloitte study. The results of the study led to the development of Forefront SA.

Forefront SA aims to coordinate and collaborate on efforts in order to unite the city under one, collective goal - to propel San Antonio to an economically healthy and prosperous future by advancing the economic delivery system and maximizing the community's assets to spur innovation and accelerate economic competitiveness in Target and Core industries. To achieve this mission, five overarching goals were identified representing the critical core elements. Each goal focused on enhancing San Antonio in the following areas: 1.) Business Attraction 2.) Business Retention and Expansion 3.) Entrepreneurial Development 4.) Workforce Development and 5.) Collaboration. Coordination towards achievement of these goals will be led by SAEDF.

To formalize the partnership with SAEDF, the FY 2016 SAEDF Professional Services Agreement (Strategic Plan Implementation Agreement) was developed and includes industry recruitment, retention/expansion and marketing metrics, as well as administration of the Texas/Japan Office Agreement. Enhancements to the FY 2016 SAEDF Professional Services Agreement include SAEDF's role as lead agency and convener of economic development stakeholders and industry liaisons and semi-annual updates on Forefront SA tactics.

ISSUE:

The City of San Antonio, upon recommendation of the Corporate Retention and Recruitment Sub-Committee and satisfactory performance of SAEDF during the 2011-2015 Economic Development Service Agreement, will consider the FY 2016 SAEDF Professional Services Agreement in the amount of \$590,000 on February 18, 2016.

ALTERNATIVES:

City could consider other partnerships or a revised economic development structure in order to achieve the desired performance targets in recruitment, retention and marketing in addition to overall economic development coordination and collaboration.

FISCAL IMPACT:

Funding for the FY 2016 SAEDF Professional Services Agreement is budgeted in the amount of \$590,000 in the FY 2016 Budget. Payments will be made quarterly following the submission of a quarterly report by SAEDF and an evaluation by EDD staff for compliance with the approved agreement.

RECOMMENDATION:

This is a briefing ahead of City Council consideration of the FY 2016 SAEDF Economic Development Services Agreement on February 18, 2016.