



# City of San Antonio

## Agenda Memorandum

**File Number:**16-3431

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**Agenda Item Number:** 28.

**Agenda Date:** 6/16/2016

**In Control:** City Council A Session

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**DEPARTMENT:** Economic Development

**DEPARTMENT HEAD:** Rene Dominguez

**COUNCIL DISTRICTS IMPACTED:** City Wide

### **SUBJECT:**

Adoption of amendments to the City of San Antonio's Economic Development Incentive Fund Guidelines (EDIF Guidelines).

### **SUMMARY:**

Staff is requesting City Council action on an Ordinance approving amendments to the EDIF Guidelines.

### **BACKGROUND INFORMATION:**

Established in 2004, the Economic Development Incentive Fund (EDIF) provides funding for grants and loans for economic development projects, and is used to attract new companies to San Antonio and help local companies expand. City Council adopted the current EDIF Guidelines on December 11, 2014. EDIF funds have been used to secure significant job creation projects, examples of which include Toyota, Medtronic, and HOLT Cat, and have also been used to support studies and initiatives that promote the City and our targeted industries, including the recent Cybersecurity Strategy Study and the 2016 SXSW Initiative.

The proposed amendments to the EDIF Guidelines update the EDIF Guidelines' wage requirements, and also expand the use of funds to support initiatives and projects that achieve the goals outlined in the community's economic development strategic plan, *Forefront SA*, and the City's *SA Tomorrow Comprehensive Plan*. This includes adding language that approves EDIF use for projects, programs, and initiatives that promote entrepreneurial development, spur innovation, facilitate the commercialization of local technology and intellectual property, and that grow startup companies in the City's Targeted Industries, cultural and creative industries, and support workforce development initiatives.

### **ISSUE:**

Chapter 380 of the Texas Local Government Code authorizes the City to provide incentives for the purpose of promoting economic development.

The proposed amendments to the EDIF Guidelines expand support for initiatives and projects that achieve the goals outlined in the community's economic development strategic plan, *Forefront SA* and those outlined in the City's *SA Tomorrow Comprehensive Plan*, with a particular focus on supporting growth in entrepreneurial development. These amendments will help the City better promote entrepreneurial development, spur innovation, facilitate the commercialization of local technology and intellectual property, and that grow startup companies in the City's Targeted Industries, cultural and creative industries, and support workforce development initiatives. City Council action is required to amend the EDIF Guidelines.

**ALTERNATIVES:**

If City Council does not approve the amendments to the EDIF Guidelines, the wage requirements will not reflect updated figures, and the City will not be able to as effectively promote the goals outlined in *Forefront SA* and the City's *SA Tomorrow Comprehensive Plan* as it might otherwise be able.

**FISCAL IMPACT:**

There is no fiscal impact associated with the adoption of the proposed amendments to the EDIF Guidelines.

**RECOMMENDATION:**

Staff recommends approval of the Ordinance approving the amendments to the EDIF Guidelines.