



City of San Antonio

Agenda Memorandum

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Agenda Item Number:

Agenda Date: 9/4/2018

In Control: Economic and Workforce Development Committee

DEPARTMENT: Economic Development

DEPARTMENT HEAD: Rene Dominguez

COUNCIL DISTRICTS IMPACTED: All

SUBJECT:

Overview and status of the partnership between the City of San Antonio (City) and the San Antonio Economic Development Foundation (SAEDF).

SUMMARY:

The SAEDF will present an overview of its functions, governance structure, updates on performance of its 2018 Business Plan approved by City Council in December 2017, as well as preview of the upcoming 2019 Business Plan.

BACKGROUND INFORMATION:

The City's Economic Development Department (EDD) is guided by the Jobs and Economic Competitiveness section of the SA Tomorrow Comprehensive Plan (the SA Tomorrow Plan). EDD invests in partners and administers incentive programs to carry out the goals of the Plan. These activities leverage the City's existing competitive advantages and create public and private alignment toward the City's long term goals to secure 21st Century jobs that pay higher wages.

The City's public/private partnership with SAEDF began in 2010 and represents an evolution of the City's Economic Development Delivery System. The partnership pursued a business retention and expansion program focused on integrated targeted industry development and developed a community-wide strategic plan. By 2015, the partnership had resulted in the completion of 119 projects and the creation of over 19,700 jobs. In 2015, a private sector sub-committee evaluated the partnership. The evaluation recommended the continuation of the partnership and the acceleration of a new plan for years 2016-2020, the Forefront SA Strategic Plan (Forefront SA Plan).

Forefront SA is the SAEDF-led 5-year economic development strategic plan through 2020 that focuses on formal collaboration among public sector partners, private sector leadership, and maximizing resources. An annual Business Plan is aligned through adoption of a \$580,000 Economic Development Services Agreement

administered by EDD. The SAEDF annual Business Plan articulates tactics and strategies used to attain the Forefront SA Plan goals.

SAEDF acts as the lead partner in convening and implementing strategies in industry recruitment and retention/expansion, entrepreneurial development, international business development, and workforce development. SAEDF focuses on the targeted industries of cybersecurity, bioscience/healthcare, advanced manufacturing, aerospace, and new energy, and will execute on activities through its enhanced staffing structure in accordance with the Forefront SA Plan.

In 2018, SAEDF integrated the Free Trade Alliance in an effort to better execute international business development strategies in partnership with private sector leadership in each of the targeted industries. SAEDF also administers the agreement for the Texas Japan Office as part of its international focus. The Texas Japan Office is a joint collaboration between Japan and San Antonio and is funded by various community partners, including EDD, which is budgeted in FY 2019 at \$90,000.

SAEDF has established a core set of activities to pursue businesses in each of the targeted industries that are measured by Key Performance Indicators (KPIs) through 2020. Through its agreement with the City, SAEDF reports quarterly performance measures, including KPIs tracking foreign direct investment, local capital expenditures, target sector employment growth, number of located projects, and number of new jobs.

FISCAL IMPACT:

Funding for SAEDF is proposed in the FY 2019 Budget to be adopted on September 13, 2018, and includes \$580,000 for the FY 2019 Business Plan, and \$90,000 for the Texas Japan Office. An additional \$250,000 is allocated to SA Works for workforce development, which is a subsidiary of SAEDF and whose activities are integrated into the overall plan.

RECOMMENDATION:

Staff recommends endorsement of the partnership between the City of San Antonio and the San Antonio Economic Development Foundation to execute business plans in alignment with the Forefront SA Plan and SA Tomorrow.