



City of San Antonio

Agenda Memorandum

File Number:19-3336

Agenda Item Number: 17.

Agenda Date: 5/2/2019

In Control: City Council A Session

DEPARTMENT: Economic Development

DEPARTMENT HEAD: Rene Dominguez

COUNCIL DISTRICTS IMPACTED: 4

SUBJECT:

City Council consideration of the adoption of a Resolution: (A) authorizing the City of San Antonio to enter into an Interlocal Agreement with Bexar County to affirm the City's administration authority over a project area in the City to be designated as a Texas Enterprise Zone Project (TEZ) by Bexar County; and (B) approving Bexar County's nomination to the State of Texas of the GreatCall project area as a TEZ.

SUMMARY:

Staff is requesting City Council consideration of a Resolution authorizing the City to enter into an Interlocal Agreement with Bexar County to affirm: (-1-) the City's administration authority under Section 2303.201 of the Texas Government Code with jurisdiction over a project area to be designated as a TEZ; (-2-) that both Bexar County and the City approve the nomination of the GreatCall project area as a TEZ; (-3-) the active designation period of the Interlocal Agreement; (-4-) the legal name of the company being considered for the TEZ designation and the street address or metes and bounds of the qualified business site; (-5-) attestation by the City Clerk and the County Clerk as to authorization from each governing body to the Interlocal Agreement. Neither the Interlocal Agreement nor the approval of the nomination by the City has any fiscal impact to the City.

BACKGROUND INFORMATION:

Bexar County desires to nominate GreatCall, Inc (GreatCall) as a TEZ. Founded in 2005 and based in San Diego, CA, GreatCall provides connected health and personal emergency response services to seniors. The company's offerings include mobile devices (including the Jitterbug cellphone), mobile apps, and wearable devices to improve health and safety. In August 2018, Best Buy acquired GreatCall as part of the company's strategy to enrich lives through technology that addresses human needs. Best Buy is headquartered in Richfield, MN, and has over 1,000 retail locations and 120,000 employees in the US, with nearly \$42B in revenue in 2018.

As part of the company's move to expand services, GreatCall is opening a new health and wellness support

center in San Antonio. The center would provide the company's customers and subscribers with emergency and non-emergency assistance.

GreatCall's center would be located at the One 51 Office Centre at 9810 Highway 151 in Westover Hills, City Council District 4. As part of the project, the company is looking to invest \$7 million and create 450 new, full-time jobs over a five-year period. The average annual salary for the jobs would be \$38,553. San Antonio competed with Franklin, TN for this project.

ISSUE:

TEZ is an economic development tool for local communities to partner with the State of Texas to promote job creation and significant private investment that will assist economically distressed areas of the state.

Under Section 2303.406 of the Texas Government Code, Bexar County receives an allotment of 9 potential Enterprise Project designations every state biennium. If the TEZ designation for GreatCall is approved by the State, Bexar County will have 7 additional Enterprise Project designations for the remainder of this state biennium, ending on August 31, 2019. The Bexar County Commissioners Court is scheduled to approve the TEZ nomination for GreatCall on May 7, 2019.

In order to nominate GreatCall for designation as a TEZ, Bexar County must enter into an Interlocal Agreement with the City of San Antonio because the project area is located within the City's jurisdiction. The Interlocal Agreement is intended to confirm the City's administration authority with jurisdiction over the project area to be nominated as a TEZ, and serve as evidence of the City's approval of Bexar County's nomination of GreatCall as a TEZ. The approval of Bexar County's nomination and the Interlocal Agreement between the City and Bexar County must be authorized by the adoption of a Resolution by City Council. According to statute Section 2303.004(c), the City and County must enter into an Interlocal Agreement prior to the County nominating GreatCall for a TEZ designation.

By this Resolution, the City is not making a nomination from its allotment of designations under Section 2303.406 of the Texas Government Code.

ALTERNATIVES:

City Council could choose not to authorize the Interlocal Agreement, which would impede the County's nomination and could adversely affect GreatCall's decision to grow its operations and establish the health and wellness support center in San Antonio.

FISCAL IMPACT:

City Council consideration of the adoption of a Resolution: (A) authorizing the City of San Antonio to enter into an Interlocal Agreement with Bexar County to affirm the City's administration authority over a project area in the City to be designated as a Texas Enterprise Zone Project (TEZ) by Bexar County; and (B) approving Bexar County's nomination to the State of Texas of the GreatCall project area as a TEZ. There is no fiscal impact to the City of San Antonio.

RECOMMENDATION:

Staff recommends City Council adoption of a Resolution: (A) authorizing the City of San Antonio to enter into an Interlocal Agreement with Bexar County; and (B) approving Bexar County's nomination to the State of Texas of the GreatCall project area as a TEZ Project.