



City of San Antonio

Agenda Memorandum

File Number:15-1322

Agenda Item Number: 1.

Agenda Date: 4/15/2015

In Control: City Council B Session

DEPARTMENT: Economic Development

DEPARTMENT HEAD: Rene Dominguez

COUNCIL DISTRICTS IMPACTED: City-Wide

SUBJECT:

Briefing by the Port Authority of San Antonio.

SUMMARY:

The Port Authority of San Antonio will present a progress report on economic activity to include strategic direction, recent accomplishments, and ongoing partnership initiatives.

BACKGROUND INFORMATION:

The Port Authority of San Antonio (Port) is redeveloping the former Kelly Air Force Base for the benefit of San Antonio, creating conditions for growing and maintaining quality jobs and generating economic growth. Since the closure of Kelly Air Force Base in 2001, the Port's redevelopment efforts at the 1,900-acre site have attracted over 80 organizations - including employers in aerospace, logistics, and government/military sectors.

Customers at the Port directly employ 12,000 workers with an average annual salary over \$50,000 and had a regional economic impact of \$4.4 billion in 2014. The Port has opportunities to continue working strategically with its customers and public sector partners in the years ahead to retain and grow its current customer base and attract complementary industries that can add to the business activity and employment base at the site.

The 36th Street extension at the Port, between Highway 90 and Billy Mitchell Blvd, completed by the City of San Antonio in 2012, has opened 400 acres at Kelly Field for the development of future hangars and other air-served aerospace facilities. It is only among a handful of sites in Texas able to host a large aerospace project. Ensuring the development of this area is a priority for the Port.

In the summer of 2014, the Port issued an implementation plan in response to recommendations made by the Port San Antonio Aerospace Working Group. The plan provides a community-wide blueprint, led by the Port, to help retain the Port's key aerospace customers and support their expansion plans, particularly as many seek to grow their commercial aerospace workload as they continue seeking military aircraft projects.

The Port has seen a diversity of activity in recent months, including lease renewals totaling approximately 1.5 million square feet in 2014. The Port's Lackland Annex, totaling over 700,000 square feet of secured office facilities, is now at full occupancy. The Annex is home to over 6,000 Air Force personnel. The Port's East Kelly Railport had a record year in 2014, with nearly 10,000 railcars served transporting commodities including sand and equipment serving well sites throughout the Eagle Ford Shale region.

The Port will provide a briefing to City Council on the Port's aerospace strategic plan, infrastructure improvements, business activities, and other developments.

ALTERNATIVES:

This is a briefing item only.

FISCAL IMPACT:

This is a briefing item only.

RECOMMENDATION:

This item is a staff briefing and requires no action.