

**CITY OF SAN ANTONIO  
INTERDEPARTMENTAL MEMORANDUM  
ECONOMIC DEVELOPMENT DEPARTMENT**

**TO:** Mayor and City Council

**FROM:** Ramiro A. Cavazos, Director

**THROUGH:** Terry M. Brechtel, City Manager

**COPIES:** Christopher J. Brady, Assistant City Manager; Trey Jacobson, Assistant Director; Tom Wendorf, Director; File

**SUBJECT:** Amendment of Greater Kelly Development Authority Operating Agency Contract

**DATE:** September 18, 2003

**SUMMARY AND RECOMMENDATIONS**

This ordinance authorizes the amendment of the General Operating Agency Contract between the City of San Antonio and the Greater Kelly Development Authority (GKDA), pertaining to the distribution of \$2,149,000 for six capital projects at KellyUSA. The contract was approved by Ordinance No. 96693 on November 7, 2002.

Specifically, this ordinance will extend the completion date of the contract from September 30, 2003 to September 30, 2004. In addition, this ordinance will amend the scope of services to redirect \$491,000 from two scheduled projects on Quintana and New Laredo Highway to design and engineering expenses for a new street project extending Cupples Road. The effective date of the contract will be October 1, 2003.

Staff recommends approval.

**BACKGROUND INFORMATION**

The FY 2003 Annual Adopted Budget included \$2,149,000 for six capital projects at KellyUSA. (A list of these projects and budgeted amounts is attached as Exhibit A.) These projects will not be complete by September 30, 2003, which is the expiration of the current contract between the City and GKDA. In addition, a new development concept has emerged at KellyUSA that modifies the access planned for East KellyUSA. Consequently, the need has changed from making short-term improvements on entrances that exist today, to extending Cupples Road through KellyUSA. In order to accomplish the Cupples Road improvement, two other established project budgets need to be redirected to the Cupples Road project. Funds from the Quintana entrance improvement (\$215,000) and funds from the New Laredo Highway improvement (\$276,000) will need to be redirected to the Cupples Road improvement for a total project cost of \$491,000.

GKDA will utilize the \$491,000 for the preliminary planning and engineering, design development, and production of final construction drawings and specifications for the Cupples Road extension project. (A map is attached as Exhibit B.) The planning and design effort will provide a four-lane arterial from Cupples Road as a City street connecting to New Laredo Highway on the southern boundary of East KellyUSA. The design will include new road sections defined by an 86-120 foot

right-of-way to accommodate two lanes of traffic in each direction, with traffic control medians and access crossover features. Traffic signals, road signage, road markings, sidewalks and American Disability Act pedestrian ramps will be provided for the entire roadway. Funds may be used to conduct traffic impact studies and analyses, if required. Drainage structures for the project will be designed to detain/connect into a storm water collection system. The design will provide utility corridors defining where water, electricity, sanitary sewer, telecommunications, gas, and drainage utilities will be located. Design will include the relocation of existing utilities, as well as utilities that will require protection to allow construction of the road improvements. Funds in excess of amounts required to pay for the services outlined above will be used to prepare the right-of-way for the new road alignment.

### **POLICY ANALYSIS**

The City has provided financial assistance to GKDA since FY 1997. This assistance supports implementation of the City's strategic initiatives for economic development by promoting Kelly redevelopment. The extension of the contract allows for completion of previously funded projects and redirects funding to the priorities identified by GKDA.

### **FISCAL IMPACT**

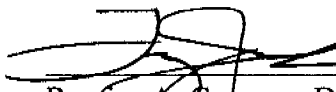
There is no additional cost to the City or GKDA associated with this ordinance.

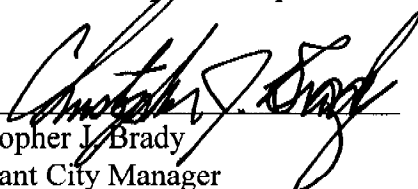
### **COORDINATION**

This item has been coordinated with the Finance Department, Public Works, GKDA, and the City Attorney's Office.


### **SUPPLEMENTARY COMMENTS**

Attached is a copy of the amended GKDA contract and a status update on FY 2003 projects.

  
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Ramiro A. Cavazos, Director  
Economic Development Department

  
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Christopher J. Brady  
Assistant City Manager

Approved:

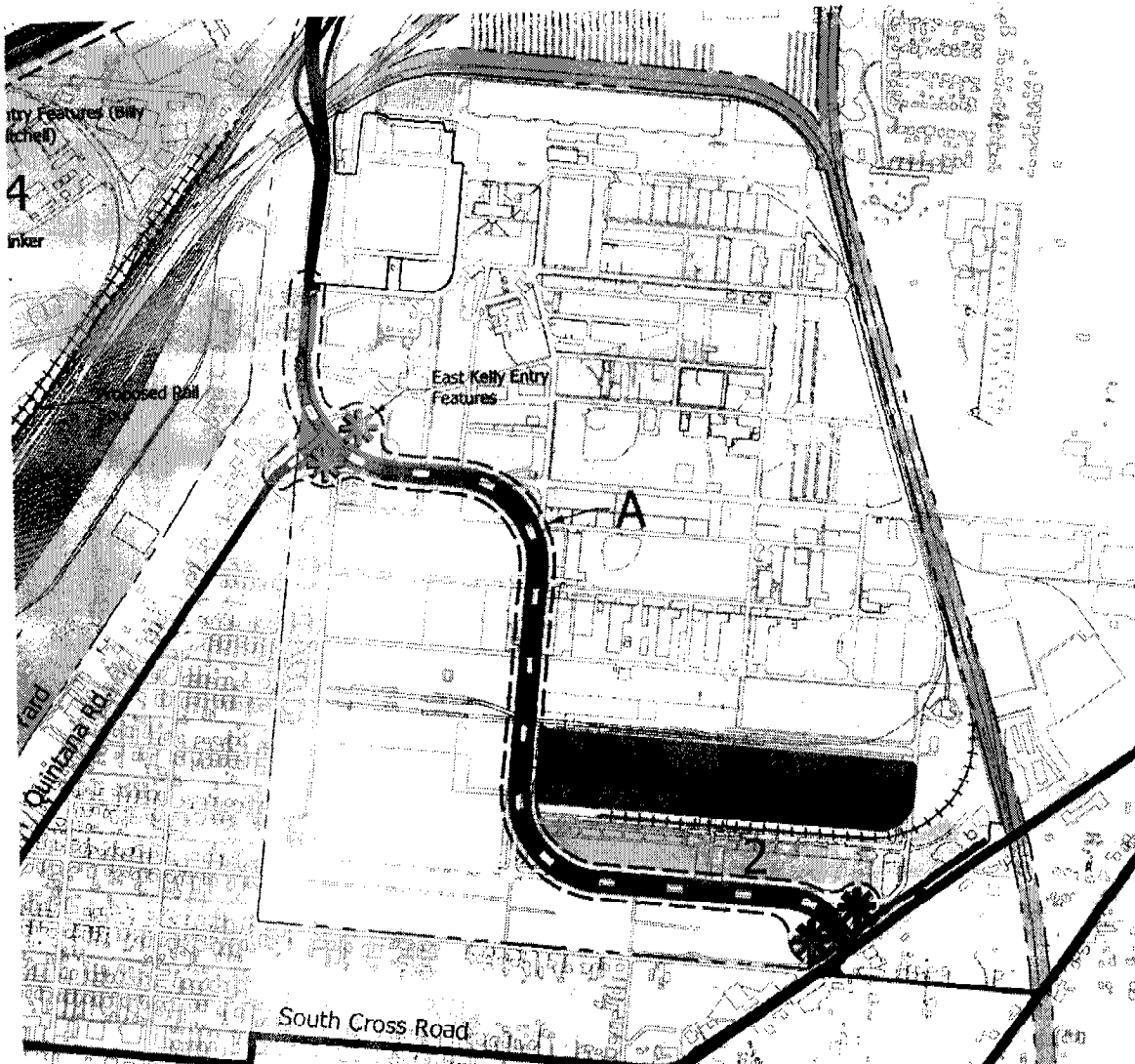
  
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Terry M. Brechtel  
City Manager

# GKDA FY 2003 Project Status Update

Project	Funding	Status
New Luke Road Design	\$ 758,000.00	Obligated
New Laredo Highway Entrance	\$ 276,000.00	Redirect
Quintana Entrance	\$ 215,000.00	Redirect
Rail Upgrades	\$ 600,000.00	Rebid
Transportation Planning	\$ 100,000.00	70% Complete
Watershed Modeling	\$ 200,000.00	35% Complete
<b>Total FY 2003 Funding</b>	<b>\$ 2,149,000.00</b>	

Exhibit A

# Exhibit B



## Starting Development

### LEGEND

- A. Cupples Road Development**
1. Warehouse Renovation
  2. Transfer Facility
  3. Rail Served Warehouse

- B. Gen. Hudnell Dr./Spur 371 Upgrade**
4. 90 Acre Manufacturing Site
  5. 12 Acre Office Development Site
  6. 50 Acre Multi-Use Development Site
  7. Technology Development Center

- C. Billy Mitchell Blvd.**
8. 40 Acre Industrial Site
  9. Aeronautical Facility Development Site
  10. Downtown Kelly Historic Redevelopment
    - a. Day Care
    - b. Office
    - c. Museum

- D. North-South Thoroughfare**
11. Aerospace Facilities Development
  12. Aerospace Test Cell Development

**GREATER KELLY DEVELOPMENT AUTHORITY**  
 143 BILLY MITCHELL BLVD. #6  
 SAN ANTONIO, TEXAS 78226  
 TEL. 210 362 7800

0 0 0 0  
 BAKER CONSULTING, INC.  
 6400 FORT MEYER, SUITE 400  
 SAN ANTONIO, TEXAS 78216  
 TEL. 210 362 7800 FAX 210 362 7801



## **Convention Sales & Marketing (continued)**

The following detail outlines the convention sales cycle. This process can change and often times does based on many factors.

### **Convention Sales & Marketing Process**

<b>Activity</b>	<b>Description</b>	<b>Responsibility</b>
<b>Bureau, Center, Hotel Interaction</b>	On-going; Team Charlotte meetings, joint goal-setting, convention business proposal process, service of clients	Bureau Center Hotels
<b>Annual Sales &amp; Marketing Planning</b>	Review Center utilization history; forecast utilization through future bookings and occupancy needs, set goals in conjunction with Center and Hotels, develop sales and marketing strategies, plan tactics and develop budget in conjunction with Center.	Bureau
	Review room night production history, assess current industry and market factors, set goals in conjunction with Center and Hotels, develop sales and marketing strategies, plan tactics and develop budget in conjunction with Bureau.	Center
	Set goals in conjunction with Bureau and Center.	Hotels
<b>Implement Plan</b>	Develop advertising and direct mail materials in conjunction with Center. Coordinate trade show participation. Produce trade show materials. Initiate client email news. Produce client newsletter with participation by Center. Place trade publication advertorials.	Bureau
<b>Prospect clients</b>	Develop prospects from market research, CINET, tradeshow directories and leads, lost and return business databases, advertising responses, telemarketing, local members/organizations, purchased databases	Bureau Center
<b>Identify Leads</b>	Develop specifications on potential business through calls and contacts, identifying opportunities for single or multiple-year conventions; forward to Center for date availability and option status	Bureau
<b>Continuously Review Client Status</b>	Hold bi-weekly meetings to discuss convention tentative business, evaluating client issues, obstacles, closing strategies	Bureau Center
<b>Locate Space; Assign Option</b>	Compile/confirm client requirements for Center space and forward dates and option status to Bureau	Center
<b>Develop Formal Lead</b>	Send lead with dates, client requirements, hotel room and space specifications to Hotel Community and Center	Bureau

<b>Formulate Hotel Package</b>	Obtain room block and rate commitments from hotels to match client requirements, i.e. number of rooms needed, location of rooms in relation to Center, rate negotiation	Bureau Hotels
<b>Formulate Center Package</b>	Propose dates, space and rates as part of response to client requirements.	Center
<b>Send Proposal to Client</b>	Deliver proposal to client, including hotel and Center	Bureau
<b>Follow-up with client</b>	Regarding receipt of proposal and next steps	Bureau
<b>Provide updates to Hotel Community</b>	Communicate proposal/bid status and needs or issues during weekly Team Charlotte meeting	Bureau Center Hotels
<b>Client Site Visits</b>	Coordinate visits to hotels, the Center, attractions and venues by clients considering Charlotte as a convention destination; address key questions during the visit and identify needs for incentives.	Bureau
<b>Present Formal Bid</b>	If required or desired by client, present formal bid to decision-makers.	Bureau Center
<b>Updates and Follow-up</b>	Follow-up with client; communicate proposal/bid status and needs or issues	Bureau Center Hotels
<b>Client Communicates Decision - Positive</b>	Client communicates decision/choice of destination to Bureau. If choice is Charlotte, a letter of confirmation is coordinated. Center and Hotels are notified.	Bureau
<b>Client Communicates Decision - Decline</b>	Client communicates decision/choice is for a competing city. Reason for losing the business is determined. Center and hotels are notified.	Bureau
<b>Hotels Issue Contracts</b>	The hotels participating in a successful bid issue their contracts to the client.	Hotels
<b>Center Issues Contract</b>	The Center sends its contract, upon the client's request.	Center
<b>Follow-up</b>	Continued communication occurs with clients planning to come to Charlotte in order to fulfill contracts.	Bureau Center Hotels
<b>Convention Services Introduced To Client</b>	Convention Services coordinates general and contractual assistance with client, i.e. transportation needs, extra-curriculum event needs, reservations.	Bureau
<b>Evaluation</b>	The client's experience and satisfaction with the destination is evaluated; follow-up is given if necessary.	Bureau Center
<b>On-Going Communication</b>	Initiated with past and potential clients.	Bureau Center

### Convention Sales & Marketing (continued)

Destination marketing is the overall process of communicating attributes of a destination in order to build image and increase awareness of a destination in the minds of prospects and customers. Destination marketing helps pre-sell the destination and continues to evolve through direct sales and marketing support. Destination marketing forms the umbrella of communicating a destination's attributes. Beneath this umbrella, specific products and services are features that work together to convince targeted customers and prospects to choose a destination.

All destination and tourism marketing efforts related to Charlotte visitors, *who are not users of the Convention Center*, are managed solely by Visit Charlotte and are not included under convention marketing or included in this sales and marketing plan.