

CITY OF SAN ANTONIO **AGENDA ITEM NO. 53**
ECONOMIC DEVELOPMENT DEPARTMENT
CITY COUNCIL AGENDA MEMORANDUM

TO: Mayor and City Council

FROM: Ramiro A. Cavazos, Director, Economic Development Department

SUBJECT: Renewal of the Texas Research Park Foundation Industrial District Non-Annexation and Fire Protection Agreements.

DATE: December 9, 2004

SUMMARY AND RECOMMENDATIONS:

This ordinance authorizes the negotiation and renewal of Industrial District Non-Annexation and Fire Protection agreements, with the Texas Research Park Foundation (TRPF), for a time period of six years expiring on December 29, 2010. This ordinance also provides authorization for the Interim City Manager to execute the agreements with the Texas Research Park Foundation. The new Industrial District Non-Annexation Agreement will contain a condition-requiring the Texas Research Park Foundation to submit a Petition for Annexation at the time of signing to facilitate annexation of the Park for tax year 2010. The Texas Research Park Foundation will pay \$27,500 annually for Fire Protection Services.

Staff recommends approval of this Ordinance.

BACKGROUND:

Section 42.044 of the Texas Local Government Code permits municipalities to contractually agree to not annex certain adjacent areas, as an economic development tool. Companies may choose to locate outside the city limits, which benefits the local economy by creating jobs and ultimately adding to the local tax base. Since 1990, the City of San Antonio has authorized four non-annexation agreements with companies located in areas outside of San Antonio. These areas are referenced in State law as, "Industrial Districts". In conjunction with non-annexation contracts, State law permits a municipality to contractually authorize the provision of fire protection and emergency medical services to an industrial district.

In some cases, the fire protection services agreement is desired by companies operating multi-million dollar facilities, as well as insurance companies for the facilities. In the past, these non-annexation and fire protection service agreements have been limited in term to seven years, and re-evaluated against the City's current annexation plan, as well as the possible benefits against costs to provide full municipal services to the property.

The Texas Research Park Foundation is a non-profit company located on approximately 1,224 acre tract of land in northwest San Antonio. The Texas Research Park currently includes the UT Institute of Biotechnology, UT Research Imaging Center, Institute for Drug Development, Cancer Therapy and Research Center, Southwest Oncology Group, ILEX Oncology and the International Agritech Center.

On July 7, 1998 the TRPF requested an extension and renewal of the Industrial District Non-Annexation and Fire Protection agreements for a term that would expire December 31, 2005. TRPF has requested an

additional extension of these agreements which would expire on December 29, 2010. The TRPF property is not included in the current proposed annexation plan, therefore December 31, 2010 is the earliest date that the TRPF property would be annexed if the property were to be placed in the City's annexation plan. Under the Fire Protection agreement, TRPF will remit an annual payment of \$27,500 for the provisions of fire and EMS services to their facility, as permitted under Texas law.

POLICY ANALYSIS:

In order to be eligible for renewal of an Industrial District designation, a company must meet the following criteria:

1. The property must not be on the City's annexation plan.
2. The industrial district must be in compliance with the current Industrial District and Fire Protection agreements.
3. The company must pay an application fee of \$1,500.

TRPF is not on the City's current annexation plan. The Industrial District is also in compliance with the other requirements.

FISCAL IMPACT:

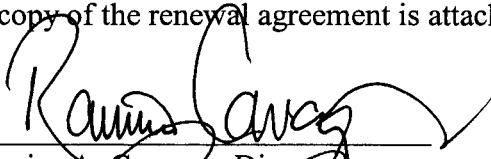
The Fire Protection agreement will generate \$27,500 annually to the General Fund. Additionally, TRPF will pay \$1,500 in application processing fees.

COORDINATION:

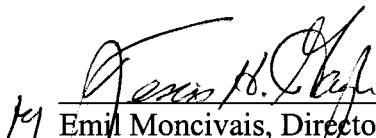
This item has been coordinated with the Planning, Fire, Finance departments and the City Attorney's Office.

SUPPLEMENTARY COMMENTS:

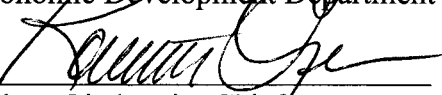
A copy of the renewal agreement is attached.



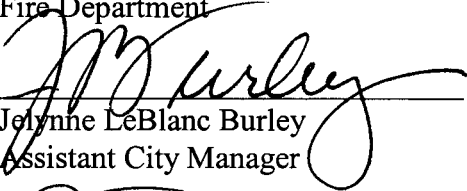
Ramiro A. Cavazos, Director
Economic Development Department

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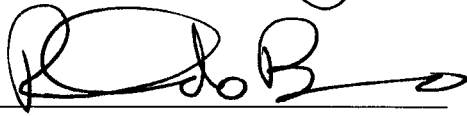
Emil Moncivais, Director
Planning Department



Robert Ojeda, Fire Chief
Fire Department



Jelynn LeBlanc Burley
Assistant City Manager



J. Rolando Bono
Interim City Manager

City of San Antonio
Discretionary Contracts Disclosure*

*For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2
Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply.*

** This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.*

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract:

N/A

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

N/A

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

N/A

and the name of:

(B) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

N/A

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

N/A

Political Contributions
Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	N/A	Amount:	N/A	Date of Contribution:	N/A
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Disclosures in Proposals
Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Signature:	<i>John Johnson</i>	Title: <i>PRESIDENT</i>	Company: <i>TEXAS RESERCH ANAL FIRM</i>	Date: <i>11/30/04</i>

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.