

**CITY OF SAN ANTONIO
NEIGHBORHOOD ACTION DEPARTMENT
CITY COUNCIL AGENDA MEMORANDUM**

TO: Mayor and City Council

FROM: David D. Garza, Director, Neighborhood Action Department

SUBJECT: Neighborhood Commercial Revitalization (NCR) Contract with Jefferson Woodlawn Lake Community Development Corporation (CDC Deco District)

DATE: May 7, 2005

SUMMARY AND RECOMMENDATION

This ordinance will authorize the Interim City Manager or his designee to execute a two-year General Fund contract between the City of San Antonio and the Jefferson Woodlawn Lake Community Development Corporation (JWLCDC) for \$50,000 per year in the total amount of \$100,000 for participation in the City's Neighborhood Commercial Revitalization Program. A contract between the City and Jefferson Woodlawn Lake Community Development Corporation was approved April 1, 1999 and amended on September 13, 2001. The contract expired on March 31, 2005. This ordinance extends Deco District's participation as a Revitalization Project through March 31, 2007. The ordinance would authorize the execution of the contract with a retroactive effective date of April 1, 2005.

Staff recommends approval of this ordinance.

BACKGROUND

The NCR Program was created in 1998 to promote the revitalization of neighborhood commercial districts by attracting consumers, private sector investment, and employment opportunities in targeted commercial districts. As requested by City Council in 2003, the NCR Program staff initiated a program review which was conducted by Eichenfield and Associates. The objectives of the 2003 Program Review were to 1) optimize program services to current project, 2) refine the NCR Program for future projects, 3) review overall NCR Program and 4) review issues within each project area. The review process included background and data collection, on-site visits to conduct interviews, survey stakeholders, review of best practices of similar programs nationwide and the identification of possible resources and partnerships for the implementation of suggested improvements. A key recommendation in the report is to maintain local funding by stating: *"the assessment team does not find it realistic... that local district projects will be able to substantially replace the funding (City)...we recommend that the NCR continue to fund Revitalization Project after the initial six-year period."*

The Deco District's main corridor, Fredericksburg Road, is part of the historic "Old Spanish Trail" that links St. Petersburg, Florida with San Diego, California. Fredericksburg Road itself connects downtown San Antonio with its growing medical center. The Jefferson Woodlawn Lake Community Development Corporation (CDC) became a NCR Revitalization Project in 1999. The CDC's efforts are well integrated into the City's Near Northwest Community Plan, a comprehensive road map for community development. The CDC office is located in the corridor and professionally staffed with an Executive Director. An eight-member Board of Directors comprised of neighborhood and business leaders governs the organization.

As part of the contract, performance measures are reported on a quarterly basis and are used to evaluate the project's success. The following outlines annual goals and the actual results through the first quarter FY 04-05:

| <u>Performance Measure</u> | <u>Annual Goal</u> | <u>Contract Term</u> | <u>Actual</u> |
|-----------------------------|--------------------|----------------------|---------------|
| Jobs Created | 6 | 36 | 349 |
| Net New Businesses | 3 | 18 | 34 |
| Value of Private Investment | \$275,000 | \$1,650,000 | \$17,235,300 |

The CDC serves as lead agency for the District's revitalization efforts to attract consumers, private sector investment and employment opportunities. The Board has established several committees which are comprised of business owners, neighborhood association members and other stakeholders. Approximately 150 businesses participate in District's revitalization efforts. The CDC office serves as a business development resource center for potential tenants, business owners, and area residents, providing information on small business loan resources and business workshops available through the International Trade Center, Minority Business Development Center, and the Small Business Economic Development Advocacy Program.

In 2002, the H.E.B. Grocery Company opened a new Deco-themed store, which anchors the corridor at the northern section. Store sales have since vastly outpaced the company's original sales forecasts. This success is a testimony to the work done by the CDC, which served as a liaison between H.E.B. and several adjacent neighborhood associations to assist in bringing the project online, successfully facilitating lengthy and delicate negotiations related to environmental and design issues. The CDC monitors commercial activity throughout the corridor and organizes community events to promote area identity, such as the Annual Miniature Golf Tournament at Cool Crest, the oldest miniature golf course in the country. The CDC is also partnering with the Guadalupe Cultural Arts Center to host the newly created event "*Deco Days*," a street festival to be held in September 2005, with a poster contest and related lectures on topics related to local art and architecture during the preceding weeks. The festival will provide opportunities for local artists to display their work or to perform in front of new audiences, while drawing shoppers from throughout the city to the Fredericksburg commercial corridor.

A collaborative project added art value to the district. The project, "*Marking Time: The Deco District Historical Markers*", was the result of a multi-year partnership with ASKEW, a design studio for urban youth and the Thomas Jefferson High School art students, who produced double-sided mosaic tile signs that visually enhance the Deco District. This decorative signage

is part of an ongoing streetscape enhancement project, which will improve several blocks of Fredericksburg Road.

Combined with the Streetscape Project, the District's main project at this time is the renovation of the Travis Building, an 18,000 square foot city-owned building and its adjacent landscaped parking area. The building, located at the center of a key activity node in the Deco District (Fresno and Fredericksburg Road), has historically been operated as a multi-tenant property providing space for retail, office, community, and cultural uses. The renovation project, made possible through bond funds, is intended to serve the community as a model for capacity building, self-sustainability, and adaptive re-use. The renovation incorporates exhibit, studio, office and light retail space for arts organizations and complimentary businesses. The CDC also entered into a Master Lease Agreement with the City to maintain and lease the building for the next 25 years.

With regard to performance for the proposed contract, the CDC intends to complete the following activities in the next two years:

- Complete the redevelopment of the Travis Building late Fall 2005
- Secure all necessary private and other public (outside City) funds by March 31, 2006 for the interior finish out of the Travis Building
- Market and secure tenants for the Travis Building
- Complete Streetscape I and II projects
- Continue marketing to attract new businesses and new consumers to the area by leveraging partnerships and resources such as with St. Mary's University for internship opportunities to provide special project assistance
- Identify commercial opportunities that may arise from the new housing development such as Primrose senior housing project
- Coordinate development and commercial opportunities that may arise from the Advanced Transportation District and potential Bus Rapid Transit
- Seek and secure private funding for the redevelopment of the Woodlawn Lake Theatre to increase business and entertainment venues
- Establish a new annual event "Deco Days," a street festival to be held in September 2005

POLICY ANALYSIS

Since its designation as an NCR Revitalization Project in 1999, the CDC has facilitated \$17,235,300 in private reinvestment, attracted 34 net new businesses and created 349 net new jobs. Staff recommends authorizing the two year contract based on the performance of the contract deliverables and consultant recommendations.

The staff is also recommending the approval of the two-year contract based on the demonstrated \$15,000 per year leverage which is required in the contract. The CDC currently has \$27,203 of funds in their bank accounts.

FINANCIAL IMPACT

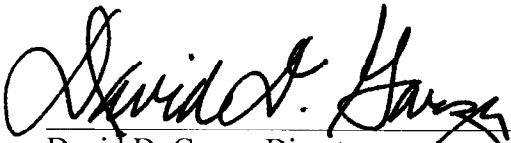
Funds in the amount of \$50,000 for the proposed contract are budgeted in the Neighborhood Action Department's base Fiscal Year 2005 General Fund budget. Since the project designation in 1999, the City has contributed \$425,000 to support the Deco District revitalization efforts.

COORDINATION


This item has been coordinated with the City Attorney's Office.

SUPPLEMENTARY COMMENTS

The CDC is currently responsible for administering the Streetscape Enhancement Project along the Fredericksburg corridor from W. Kings Highway to Rosewood. This project is funded with \$400,000 from 1999 Bond funds. To date fifteen out of eighteen palm trees have been planted. The remaining planters, palm trees, and other pedestrian and streetscape amenities are scheduled to be completed by April 30, 2005. In addition, the CDC will begin the public input process for the second phase of the Streetscape Enhancement Project funded through 2003 Bond funds.



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