

**CITY OF SAN ANTONIO
ECONOMIC DEVELOPMENT DEPARTMENT
CITY COUNCIL AGENDA MEMORANDUM**

CONSENT AGENDA
ITEM NO. 22

TO: Mayor and City Council

FROM: Ramiro A. Cavazos, Director

SUBJECT: Defense Transformation Institute (DTI) Grant Agreement

DATE: January 26, 2006

SUMMARY AND RECOMMENDATIONS

This ordinance authorizes the City Manager to enter into a Grant Agreement with the San Antonio Texas Research and Technology Foundation (TRTF) and the Defense Transformation Institute (DTI) for the total amount of \$100,000. This ordinance also increases the current amount of \$75,000 in the FY 2006 Budget for One-Time General Fund expenditures in support of DTI activities by authorizing the appropriation of an additional \$25,000 for this Agreement. Through this Agreement the DTI will act on behalf of the City in leveraging the assets of active military installations to create economic development opportunities for the community.

Staff recommends approval of this ordinance.

BACKGROUND INFORMATION

DTI was established in July 2004 as a non-profit, single member limited liability company under the TRTF. As a non-profit entity, the City and TRTF believed DTI could be more effective, flexible and efficient in partnering with the military to leverage available assets at the local active installations. The DTI currently has a seven-member Board of Managers with Brigadier General John Jernigan (U.S. Air Force Retired) currently serving as the President.

The DTI vision is to become a nationally recognized authority in developing innovative and successful military-community partnership models. The primary goals of DTI are to: (1) serve as the community's lead entity in partnering with the military to help coordinate, facilitate and accelerate the implementation of the Base Realignment and Closure (BRAC) 2005 results; (2) promote economic development on and around the military bases; (3) partner with the military to help enhance the value of military missions and reduce installation management costs; and (4) enhance existing military-community partnerships, such as in those in the area of healthcare.

On February 10, 2005, the City signed a nonbinding Memorandum of Understanding (MOU) with DTI, whereby the City recognizes DTI's role as a primary intermediary agent for partnering with the military at its active local installations. The DTI is working to complete a similar MOU with the Army at Fort Sam Houston and exploring the establishment of a facilities use agreement to leverage available facility space and equipment on Fort Sam Houston for commercial or other

public use. The DTI has also completed a Master Cooperative Research and Development Agreement (CRADA) with the Army Clinical Investigation Regulatory Office at Fort Sam Houston. Through this CRADA, the DTI is working with the Army to expand clinical research opportunities by leveraging the Army's medical research assets.

DTI is also coordinating its activities with the State through the Texas Military Preparedness Commission and is partnering with the San Antonio Defense Technology Cluster to help promote growth in defense contracts. The DTI has signed an MOU with the Cluster to serve as an intermediary in facilitating more defense contract opportunities for local companies. On October 18-19, 2005, the DTI hosted a workshop on military-community partnership models in San Antonio. This workshop focused primarily on Texas partnership models and was attended by about 60 individuals from military communities in Texas and around the nation. In September 2005, DTI also published the first edition of the Defense Transformation Magazine that featured articles on military-community partnerships in San Antonio.

Through this Agreement, DTI will also serve the City's interests in supporting the community's Defense Transformation Task Force, which has been established to partner with the local military in helping facilitate the growth in new jobs and investment resulting from the 2005 round of Base Realignment and Closure (BRAC).

POLICY ANALYSIS

The vision and mission of the DTI supports the priorities of City Council in promoting growth in the military sector to facilitate economic development opportunities. The efforts of DTI will also benefit and foster growth in other targeted industries, such as healthcare/bioscience and information technology, which in turn supports the City's *Strategic Plan for Enhanced Economic Development*.

FISCAL IMPACT

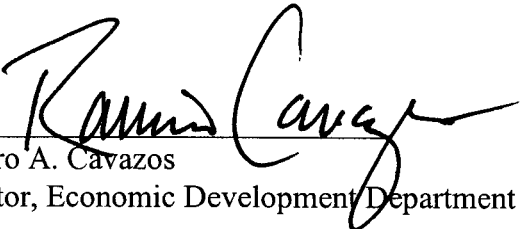
There is currently \$75,000 set aside within the FY 2006 Budget for DTI in approved One-Time General Fund expenditures. On November 10, 2005, City Council accepted a refund from the Greater San Antonio Chamber of Commerce in the amount of \$49,622.68 as a repayment of unused funds previously allocated under a separate agreement to support the San Antonio Military Missions Task Force in preparing for BRAC 2005. The additional \$25,000 needed to satisfy the Agreement within this item would come from the \$49,622.68 that was deposited into the City's General Fund. This action would increase the General Fund FY 2006 Budget and authorize the appropriation within the General Fund of an additional \$25,000 within the One-Time Projects Budget.

COORDINATION

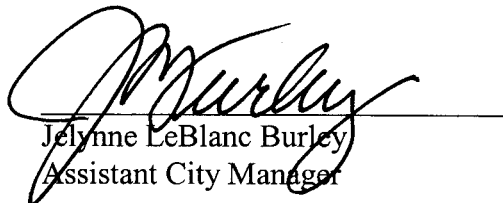
The Economic Development Department (EDD) staff has coordinated this item with the City Attorney's Office, the Office of Management and Budget, the Finance Department and DTI.

SUPPLEMENTARY COMMENTS


The Discretionary Contracts Disclosure Forms are attached.



Ramiro A. Cavazos
Director, Economic Development Department



Jelynn LeBlanc Burley
Assistant City Manager



Sheryl L. Sculley
City Manager

Attachments

City of San Antonio
Discretionary Contracts Disclosure

*For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)
Attach additional sheets if space provided is not sufficient.*

(1) Identify any individual or business entity¹ that is a **party** to the discretionary contract:

N/A

(2) Identify any individual or business entity which is a **partner, parent** or **subsidiary** business entity, of any individual or business entity identified above in Box (1):



No partner, parent or subsidiary; or

List partner, parent or subsidiary of each party to the contract and identify the corresponding party:

(3) Identify any individual or business entity that would be a **subcontractor** on the discretionary contract.



No subcontractor(s); or

List subcontractors:

(4) Identify any **lobbyist** or **public relations firm** employed by any party to the discretionary contract for purposes related to seeking the discretionary contract.



No lobbyist or public relations firm employed; or

List lobbyists or public relations firms:

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. A sole proprietor should list the name of the individual and the d/b/a, if any.

(5) Political Contributions

List all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made 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 Box (1), (2), (3) or (4) above, or by the officers, owners of any business entity listed in Box (1), (2) or (3):

☒ No contributions made; If contributions made, list below:

By Whom Made:	To Whom Made:	Amount:	Date of Contribution:

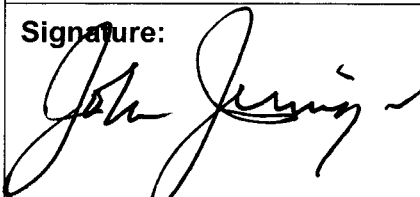
(6) Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city must disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code), ("conflicts of interest") by participating in official action relating to the discretionary contract.

☒ Party not aware of facts which would raise a "conflicts-of-interest" issue under Section 2-43 of the City Code; or

Party aware of the following facts:

This form is required to be supplemented in the event there is any change in the information 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, whichever occurs first.

Signature: 	Title: <i>Pres. DTI Board of Mgmt</i> Company or D/B/A:	Date: <i>Jan 4, 2006</i>
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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.

City of San Antonio
Discretionary Contracts Disclosure

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List partner, parent or subsidiary of each party to the contract and identify the corresponding party:

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N/A

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By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
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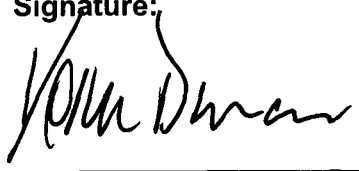
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Signature: 	Title: PRESIDENT Company or D/B/A: TEXAS RESEARCH AND TECHNOLOGY FOUNDATION	Date: 1/4/06
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