

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

TO: Sheryl Sculley, City Manager

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

SUBJECT: Clarification of ex-officio status of certain members of the Boards of Directors for the Tax Increment Reinvestment Zone Numbers Nine (Houston Street) and Eleven (Inner City)

DATE: March 2, 2006

SUMMARY AND RECOMMENDATIONS

This ordinance will clarify the ex-officio status of the three City Council members and the City of San Antonio Department Directors on the Boards of Directors for the Tax Increment Reinvestment Zone Number Nine (Houston Street TIRZ) and Tax Increment Reinvestment Zone Number Eleven (Inner City TIRZ). Specifically, this ordinance will appoint as ex-officio, voting members to the Board of Directors for the Houston Street TIRZ:

- The City's Finance Department Director
- The Director of the Department responsible for administering the City's Tax Increment Financing (TIF) program
- District 1 City Council member

In addition this Ordinance will appoint as ex-officio, voting members to the Board of Directors for the Inner City TIRZ:

- The City's Finance Department Director
- City Council members for Districts 1, 2 and 5.

Staff recommends the approval of this ordinance.

BACKGROUND INFORMATION

The City Council designated the Houston Street TIRZ in December 1999 and Inner City TIRZ in December 2000 to support new residential, commercial, and mixed-use development in the downtown and eastside areas of the City. The City Council created Boards of Directors (the "Boards") for each of the TIRZ, and appoints members to the Boards in accordance with the provisions of the Tax Increment Financing Act.

The Houston Street TIRZ is located in City Council District 1. The Inner City TIRZ is located in City Council Districts 1, 2 and 5. The respective Council members for these Districts, Council member Roger O. Flores, Council member Sheila D. McNeil, and Council member Patti Radle, are ex-officio, voting members of the Board for the respective TIRZ. The City's Finance Department Director, an office currently filled by Acting Finance Director Ben Gorzell, is an ex-officio voting member of both the Houston Street TIRZ Board of Directors and the Inner City TIRZ Board of Directors. The Director of the Department responsible for administering the City's TIF program, David D. Garza, is an ex-officio voting member of the Houston Street TIRZ Board of Directors. The City Council appoints six (6) of the eleven (11) members to the Houston Street TIRZ Board of Directors. The remaining five (5) board members are appointed by the taxing entities within the Zone.

The City Council appoints eleven (11) of the fifteen (15) members to the Inner City TIRZ Board of Directors. The remaining four (4) board members are appointed by the taxing entities within the Zone.

POLICY ANALYSIS

When originally designating the City's members to the Boards, the City Council intended that the City Council members who's Districts are within the respective TIRZ boundaries, should serve as ex-officio members of the TIRZ Board during their term as Councilmembers. In addition, the City's Director of the Finance Department and (in the case of the Houston Street TIRZ) the Director of the Department that administered the City's TIF program, were intended to serve as ex-officio members to the Boards, while employed as the respective Department Directors for the City.

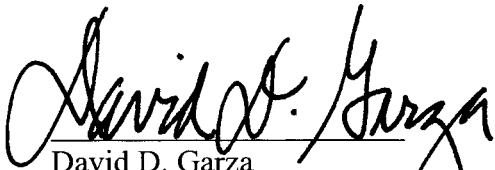
Service on the Boards by the City Council members and the Department Directors, by the approval of this Ordinance, are duties attached to the offices, and not personal to the individual. Thus, any holder of the Council member position for the City Council Districts in whose boundaries the TIRZ lie and respective Department Directors serve as members of the respective Boards as a part of the duties of their respective offices. As ex-officio members of the Boards, the City Council members and the respective Department Directors are authorized to vote and should be counted in determining whether a quorum is present. Because they serve in an ex-officio capacity, when the individuals no longer hold those offices, their terms as members of the Board are assumed, without further action required by the City Council, by their successors in office.

FISCAL IMPACT

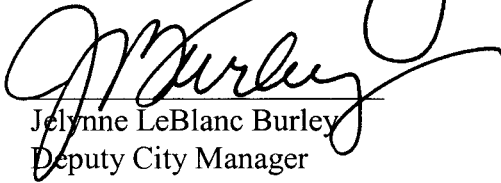
There is no fiscal impact associated with this item.

COORDINATION

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



David D. Garza
Director, Neighborhood Action Department



Jelynn LeBlanc Burley
Deputy City Manager

Approved for Council Consideration:



Sheryl Sculley
City Manager