

2024 greater:SATX Services Agreement, Operations Plan, & Foreign Direct Investment Action Plan



City Council A Session

March 7, 2024 | Agenda Item #37

Brenda Hicks-Sorensen, Director, Economic Development

Background



Mission

To lead the development and diversification of the San Antonio, TX regional economy through the location and expansion of quality employers and job-producing investments.

- greater:SATX (gSATX) is a public-private, nonprofit organization that assists businesses and industry relocating to or expanding into the San Antonio area, and a long-time strategic partner of the City.
- gSATX focuses on business attraction, business retention, workforce development, and global marketing strategies.
- Three pillars of Jobs, People, and Place developed as part of 2020 regional economic development strategy.
- 2021 Service Agreement shifted the partnership to a performance-based payment structure.

gSATX Strategic Pillars



JOBS

Grow, attract, and retain quality jobs.

PEOPLE

Develop, recruit, and retain talent.

PLACE

Elevate value and perception of SATX.

Economic Mobility

2023 Operations Plan Results



greater:SATX/CoSA Agreement Scorecard

	GOALS	ACTUAL
New Target Industry Jobs	4,800	2,466
Wages > \$50K	80%	68%
% Wages > Med. Income for Zip	100%	91%
Capital Investment	\$650M	\$337.6M
Foreign Direct Investment	\$100M	\$364.9M
Korea Contract	Executed	Executed
Lead Pursuits Generated	1,200	1,256
Leads Converted to Active Projects	24	65
BRE Assists	250	131
SMWBE Memberships	\$50,000	\$45,000

2023 Contract Payment Estimated

Total Contract \$ Available*	\$635,000
Pay/Performance Impact	~(\$128,837)
Total Earned	~\$506,162

**Does not include COSA Workforce Agreement*

2024 Operations Plan



The 2024 Service Agreement includes the following areas of focus:

- 1) Business Retention & Expansion
- 2) National Recruitment
- 3) Foreign Direct Investment (FDI) Attraction

Total Funds Available: \$829,250*

- \$635,000 for Local/National Recruitment and Retention (performance scorecard)
- \$194,250 for FDI Attraction

**Funds are reimbursable upon quarterly review and/or execution of deliverables.*

greater:SATX / COSA Agreement Performance Scorecard	
2024 COSA GOALS	
New Target Industry Jobs	6,000
Wages > \$50K (Direct)	80%
% of Wages > Median Income for Zip Code	100%
Capital Investment	\$850M
Domestic Capital Investment	\$340M
Foreign Direct Investment	\$510M
Unique Business Retention & Expansion (BRE) Visits	200
% of Case Referrals & Assistance Requests Closed	100%
% of Case Referrals & Assistance Requests w/ Follow Up	95%
Lead Pursuits Generated	400
Leads Converted to Active Projects	50
SWMWBE Memberships in gSATX	\$50,000

FDI Action Plan



Focused on industries and target international markets outlined in the City's Metro Priority Plan and Economic Development Strategic Framework

Total Funds Available: up to \$194,250*

Plan provides funds for:

- In-country consultants to support FDI attraction efforts
- Feasibility study on pursuing FDI attraction from India
- Additional high potential lead generation activities

Target Markets
South Korea
United Kingdom
Germany
Canada
Japan
India
Latin America**

**Funding amounts vary by target market, project, and deliverable.*

*** Professional Services Agreement directly managed by Economic Development Department*

Fiscal Impact



- Funding in the amount of \$829,250.00 for the initial term of the Services Agreement is available in the FY 2024 Adopted Budget.
 - Operations Plan: \$650,000
 - Foreign Direct Investment Action Plan: \$194,250
- Funding for subsequent renewal years is subject to City Council approval of the annual budget and funds.

Recommendation



Staff recommends approval of the Services Agreement, Operations Plan, and Foreign Direct Investment Action Plan with greater:SATX for a one-year term, with two, one-year renewal options, with a total initial year agreement amount of up to \$829,250.

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