

**State of Texas
County of Bexar
City of San Antonio**



**Meeting Minutes
City Council Special Meeting**

Municipal Plaza Building
114 W. Commerce Street
San Antonio, Texas 78205

2023 – 2025 Council Members

Mayor Ron Nirenberg
Dr. Sukh Kaur, Dist. 1 | Jalen McKee-Rodriguez, Dist. 2
Phyllis Viagran, Dist. 3 | Dr. Adriana Rocha Garcia, Dist. 4 Teri
Castillo, Dist. 5 | Melissa Cabello Havrda, Dist. 6 Marina
Alderete Gavito, Dist. 7 | Manny Pelaez, Dist. 8 John
Courage, Dist. 9 | Marc Whyte, Dist. 10

Thursday, October 31, 2024

1:00 PM

City Council Chambers

The City Council convened a special meeting in the Norma S. Rodriguez Council Chamber in the Municipal Plaza Building beginning at 1:11 PM. City Clerk Debbie Racca-Sittre took the Roll Call noting a quorum with the following Council Members present:

PRESENT: 11 – Nirenberg, Kaur, McKee-Rodriguez, Viagran, Rocha Garcia, Castillo, Cabello Havrda, Alderete Gavito, Pelaez, Courage, Whyte

ABSENT: None

ITEMS

1. Briefing on the Council Consideration Request by Councilmembers Jalen McKee-Rodriguez (District 2) and Phyllis Viagran (District 3) on A Just Transition from Horse Drawn Carriages. [María Villagómez, Deputy City Manager; William P. McManus, Chief of Police]

City Manager Erik Walsh stated that the November 28, 2022, Council Consideration Request (CCR) from Councilmembers McKee-Rodriguez and Viagran titled “A Just Transition from Horse Drawn Carriages” was heard in April 2024 by the Governance Committee and referred to the Transportation

& Infrastructure Committee which requested options to be presented to the full City Council. He noted that the CCR requested the development of a plan to phase out the use of horses with horse-drawn carriages in San Antonio, to include the abolishment of Ordinance(s) or policies as they related to Chapter 33 permitting equine-drawn carriages. City Manager Walsh stated that the plan would include: determination of the feasibility and establishment of a program to support a workforce transition from horse-drawn carriages to electric carriages and pedicabs; the establishment of a prohibition of the use of horses with carriage rides; and immediate cessation of the issuance of all new horse-drawn carriage permit medallions, and/or Special Event Permits so that eventually all valid permits, medallions, and/or Special Event Permits had expired.

Rick Riley, Assistant Director of the San Antonio Police Department stated that horse-drawn carriages were Governed by Chapter 33 of the City Code and the City had issued permits since 1865. Riley reported that there were five permitted horse-drawn carriage companies each holding five permits for a total of 25 horse-drawn carriages and 81 permitted horse-drawn carriage drivers.

Riley reported that the SAPD Ground Transportation Unit (GTU) enforced Chapter 33 which did not permit operations when the temperature was above 95 degrees or between 12:00 p.m. and 8:30 p.m. on Air Quality Health Alert Days. He noted that to address the welfare of the horses, they must be licensed by Animal Care Services and examined by a veterinarian every six months, offered water and given a 10 minute break between trips, and could not work more than 8 hours in a 24-hour period and required at least 16 hours of continuous rest. Riley indicated that horses would be deemed unfit for use if they had lameness; open sores or wounds; signs of emaciation, dehydration or exhaustion; loose or no shoes; or exhibiting uncontrollable behavior. He stated that horses must be at least three years old and weigh at least 1,200 pounds. Riley added that a veterinarian, contracted by the City shall be available on a regular schedule to provide inspections and ascertain compliance.

According to Riley, Chapter 33 prohibited horse-drawn carriages from operating outside a two (2) mile radius from City Hall. Additionally, they were prohibited on: Houston (between Flores and S. Alamo), Losoya and Commerce (except for routes from the barn), Cesar Chavez (between IH- 10/35 and St. Mary's), and in the King William District. He noted that horse-drawn carriages were also restricted in their operating hours and the fares were also regulated. Riley stated that while the carriages could stage at any unoccupied Commercial Loading Zone (CLZ) in the downtown area, the primary location was the CLZ on Crockett St. (across from the Hard Rock Cafe).

According to Riley, the following cities allowed horse-drawn carriages in downtown: Dallas, Texas; Austin, Texas; Indianapolis, Indiana; Oklahoma City, Oklahoma; New York City, New York; Charleston, North Carolina; Mt. Dora, Florida; and Fernandina Beach, Florida. He noted that cities that have banned horse-drawn carriages included: Las Vegas, Nevada; Camden, New Jersey; Salt Lake City, Utah; Asheville, North Carolina; and Chicago, Illinois.

Riley explained that electrical "horseless" carriages that replaced the horse with mechanical propulsion were operating in Mt. Dora and Fernandina Beach, Florida, and being tested in Philadelphia, Pennsylvania, however, these horseless carriages were not authorized in those states to operate on City streets and cost approximately \$20,000 per electric carriage.

Riley stated that the Transportation Advisory Board (TAB) met on May 22, 2024, and heard public comment from the owners of all five horse-drawn carriage companies. He indicated that the TAB

unanimously recommended that City Council consider keeping the horse-drawn carriages in downtown San Antonio and tasked City Staff to work with the horse-drawn carriage industry to set conditions to continue horse-drawn carriage service downtown.

Riley reported that in June 2024, SAPD met with all five Horse Carriage Industry Companies and all five companies expressed concern for the livelihood of their business, staff, and the future of horses. He noted that they proposed reducing operating hours and four of the five companies were open to: operating electric carriages if the City provided financial assistance to procure them and reducing the number of permits by 20%. Riley stated that the companies also requested an average of five years of transition time to phase out of the industry. In July 2024, SAPD briefed the Animal Care Services Board about the CCR, according to Riley.

Director of Communications and Engagement Alanna Reed provided an overview of an SA SpeakUp Survey that her department conducted between July 25, 2024 and August 13, 2024. She stated that the purpose of the survey was to understand how residents, tourists and industry stakeholders felt about a proposal to ban horse-drawn carriages in the downtown area.

Reed reported that 77% of the 50,476 respondents were San Antonio residents, 21% were tourists and the rest were downtown businesses. Over half of the respondents (51.98%) recommended transitioning away from horse-drawn carriages and the rest recommended continuing the practice with 29% wanting things to stay as they were, 11.1% recommended alternate hours and expansion outside downtown, and 7.9% suggested moving them to City parks.

Assistant City Manager Alex Lopez reported on a study conducted by the Workforce Development Department on the demographics of horse-drawn carriage operators (drivers), their wages, interest in electric carriages, and whether they would be interested in retraining opportunities.

Lopez noted that 28 of the 44 respondents were women, they varied in age, but most were under 55 and wages ranged from below \$30,000 per year to above \$90,000 (11 reported over \$90,000).

Lopez stated that 74.5% were not interested in driving electric carriages (e-carriages) even though they had no concern with their ability to operate them. She stated that should horse-drawn carriages be banned, 56.5% stated that they would seek other employment, 8.8% would finish a college degree and the remaining 39.1% were unsure what they would do but 44.7% were not interested in City of San Antonio job training services through Ready to Work. Lopez added that respondents to the workforce survey reported that they were passionate about horses and had invested significant time in their careers, according to Lopez.

Lopez listed concerns of the operators as loss of income and schedule flexibility as well as the ripple effect on related businesses and their employees. She noted that the operators viewed horse-drawn carriages as entertainment rather than transportation and asserted that their industry contributed uniquely to the City's tourism. Lopez also reported that the horse-drawn carriage businesses had no interest in collaborating with equine rescue groups. She indicated that they were hesitant regarding e-carriages because they did not think the public would want to ride them as much as the horse-drawn carriages and thought they would have to charge lower fares for the e-carriages. Lopez stated that

they were also concerned about maintenance costs and the fact that there was no domestic manufacturer. Additionally, pedi-cabs were not seen as a viable business model due to the physical demands on drivers and the businesses had already made significant investments in their horses.

Lopez mentioned that the business owners expressed a need for consideration of the financial implications of changes to the City Code and adequate time for any transition to mitigate risks to their livelihoods and business sustainability. She added that Financial Impact and Business Operations included significant debt ranging from \$67,000 to \$700,000 with a monthly debt service up to \$17,000.

Lopez concluded the presentation by offering three options for industry phase-out: 12-month, 24-month, and 36-month transitions. She noted that each option required changes to the City Code (Ordinance) and they all would include 25 new e-carriage permits issued by September 2025 only to existing horse-drawn carriage business owners for the first two years. Lopez stated that in all options, horse-drawn carriage business owners would be encouraged to explore options to mitigate revenue losses such as alternate business operation models, asset disposition, and debt restructuring. She indicated that business owners would be encouraged to explore e-carriage acquisition and financing options, including the City's Zero Percent Loan Program with LiftFund.

Lopez stated that the 12-month transition option would allow horse-drawn carriage permits to be renewed through March 2026. The 24-month transition option would allow horse-drawn carriage permits to be renewed through March 2027 but decrease operating hours by 25% starting in April 2026. She noted that the 36-month transition option would allow horse-drawn carriage permits to be renewed through March 2028 but decrease operating hours by 25% starting in April 2026 with an additional 25% decrease in April 2027.

Lopez reported that the same strategies related to horse-drawn carriage operators would be employed for the 12, 24, and 36-month options, they would simply be offered for a longer period. She stated that the Workforce Development Office would offer intake and assessment for horse-drawn carriage operators so they could participate in monthly resource fairs, career exploration workshops, development of individual education and career plans, and connect with LaunchSA and LiftFund to explore Zero Percent Interest Loan eligibility. Lopez stated that they could participate in Ready to Work enrollment with a recommendation to visit the American Job Center for additional resources and support as well as support to transition into their new careers along with resume preparation and interview practice. Lopez closed the presentation by asking City Council for feedback on the various transition plan options.

DISCUSSION:

Councilmember Pelaez suggested that the large number of survey responses indicated that the public was interested in this issue. He heard from the horse-drawn carriage industry that they were complying with all regulations, the horses were healthy, happy, and well-cared for, and the companies made money on the horse-drawn carriages; this was their livelihood. Councilmember Pelaez commented that 30 million of the 40 million visitors to San Antonio drove here in their cars and did not need a horse for transportation. He asserted that a horse getting sick or dying in downtown San Antonio was bad for San Antonio's tourism brand which was a substantial industry in San Antonio. He added that neighbors were tired of horses clomping around their neighborhoods.

Councilmember Pelaez noted that the CCR, which he signed, was submitted in 2022, and considering those years, the industry already had time to prepare for the inevitability that the City would prohibit horse-drawn carriages from downtown. He cited findings from the North American Animal Policy Group regarding horse-drawn carriages and invited Katie Jarl, Executive Director of Texas Pets Alive! to comment on phase-out policies around the country. Jarl stated that the majority were phased out in one year.

Councilmember McKee-Rodriguez noted that the CCR was filed on November 28, 2022, and called for a phase-out of the horse-drawn carriage industry by December 31, 2023. He noted that the Governance Committee referred the Item to the Transportation & Infrastructure Committee instead of his request to send it to the Economic and Workforce Development Committee (EWDC); the ensuing discussion was all related to jobs and industry which is how the Item ended up in B Session. Councilmember McKee-Rodriguez noted that the Transportation Committee requested options of one-, two-, and three-year phase outs. He recommended a one- or two-year phase out and supported a Zero Percent Loan Program for the operators to help them acquire e-carriages and suggested that the City immediately begin to develop policies related to e-carriages.

Councilmember Rocha Garcia thanked the operators and the members of the TAB. She appreciated the thorough community survey process and asked if an independent veterinarian had been procured. Riley stated that SAPD was unable to hire another veterinarian due to lack of interest.

Councilmember Rocha Garcia asked how the City could assist with the purchase of an e-carriage and supported job retraining. Lopez stated that only foreign manufacturers had been identified and the recommendation was a zero-interest loan program and retraining for operators that wanted to change careers.

Councilmember Whyte read a statement from Councilmember Alderete Gavito who believed it was time to eliminate horse-drawn carriages due to traffic congestion downtown and expressed concern that the carriages inhibited first responders and caused a safety issue. She supported a 12-month phase out that was humane.

Councilmember Whyte supported a longer five-year phase out plan because this was one of the largest horse-drawn carriage operations to be shut down in the country; the companies had large debt to retire. He was concerned that the horses would be hastily auctioned off. Councilmember Whyte read a text message from a horse-drawn carriage driver who requested to continue her employment as she earned about \$95,000 per year and the average wage earned under the Ready-to-Work Program was \$45,000 annually. Councilmember Whyte listed other businesses that might be negatively impacted by a quick shutdown.

Councilmember Whyte stated that he had spoken to the City's contract veterinarian who stated that the horses were bred to work in this industry and were very well cared for. He noted that the TAB recommended keeping the industry. Councilmember Whyte recommended a longer transition time such as five years if it was going to be phased out.

Councilmember Courage stated that he had ridden in horse-drawn carriages and enjoyed them and expressed concern that the discussion was about eliminating five profitable businesses operating legally and without complaints who paid taxes and fees. Councilmember Courage noted that 20% of the

survey responses were duplicates and with a margin of error of 5%, the numbers were not clear. Councilmember Courage suggested a review of climate and traffic concerns rather than putting five companies out of business. He noted that no horse had dropped dead in our streets.

Councilmember Cabello Havrda noted that the issue had come before the City Council several times and the community generally wanted to move away from horse-drawn carriages to more modern and humane options. She wondered what the industry had been doing in the past two years to prepare and she supported a shorter 12-month transition. She stated that she had visited the operators and noted that the animals were very well cared for, but the issue was operating on downtown streets.

Councilmember Viagran asked how much it would cost to purchase the 35 horses in the industry and place them in a rescue. Economic Development Director, Brenda Hicks-Sorenson stated that the horses could be valued at up to \$35,000 each and selling 35 horses all at one time could affect the price. Councilmember Viagran commented that residents might not want to spend \$1.3 million to buy these horses and pointed out that after two years of discussion about the issue, it became more about animal welfare and jobs and less about transportation. However, the issue was kept in the Transportation & Infrastructure Committee, and she felt it should have been discussed by the EWDC. She reiterated that she did not think the City should be shutting down small businesses nor taking away 28 good-paying jobs from women.

Councilmember Viagran supported a five-year transition or even the life of the animal. She clarified that signing a CCR did not mean that something was going to happen, it merely opened a City Council conversation, so it was inappropriate to expect the horse-drawn carriage businesses to have already been preparing for a transition two years ago.

Councilmember Castillo commented that these were 81 good-paying jobs and commented that a just transition would be taking input from the industry and workers. She supported a five-year transition if there was going to be one. Councilmember Castillo noted that the horses had the right to water breaks by City Code before human workers were guaranteed a water break and the horses saw a veterinarian more often than most San Antonians saw a doctor, so they were treated humanely; even better than most people. Councilmember Castillo commented that no one really dreamed of climbing on an e-carriage and she did not support closing these small businesses.

Councilmember Kaur was grateful for the new CCR process that got the discussion going as well as the highly successful survey. Councilmember Kaur noted that while the horse-drawn carriage industry was opposed to a transition, she asked if the e-carriages were street legal. Riley stated that the e-carriages could get registered and licensed with the State to be driven on City streets. Deputy City Manager Maria Villagomez stated that the City would also have to pass an Ordinance to allow the e-carriages as a vehicle for hire. Councilmember Kaur suggested that the Inner City TIRZ could be used to help acquire the e-carriages and asked if a business with those large debts would be eligible for the zero interest loans. Hicks-Sorensen stated that companies with loans in default would not likely qualify for another loan and it would be up to LiftFund to assess eligibility based on their lending criteria. Councilmember Kaur requested a copy of the loan/debt documentation for the businesses, particularly the horse-drawn carriage companies that had up to \$700,000 in outstanding debt.

Councilmember Kaur asked if the operating hour decrease could be during the summer hours under

the 36-month plan and require no new purchase of horses. Riley stated that City Council could set the hours. First Assistant City Attorney Elizabeth Provencio stated that the City could not prohibit company purchases. Deputy City Manager Maria Villagomez offered to explore not issuing permits for newly purchased horses.

Councilmember Kaur asked why the company owners did not want to work with the equine groups as she had good experiences with them. Hicks-Sorensen stated that the response from the owners was that they did not like the way horses were treated by the rescues. Councilmember Kaur supported a three-year transition.

Councilmember Pelaez noted that City Council prohibited smoking in restaurants many years ago and the industry told City Council that they would shut down and they did not. He recommended looking into moving the horses to more shady areas such as Brackenridge Park so the carriage companies could still operate.

Councilmember McKee-Rodriguez supported Councilmember Kaur's recommendation to find a way to stop the permitting of new horses and supported using TIRZ funding to buy e-carriages. Councilmember McKee-Rodriguez stated that he had spoken with horse rescue agencies, and they were interested in helping. He mentioned that City Code currently had a limit of five horse carriage companies and noted that these five companies were owned by only three individuals; two of the individuals had ten permits as they each owned two companies and the third had only five.

Councilmember Rocha Garcia supported the use of TIRZ for e-carriages and asked how the City might assist with business losses and recommended business training. Lopez stated that the idea was to help the companies explore other uses for their assets to minimize losses and pay debt.

Councilmember Courage clarified that the City would be the direct cause of shutting down these businesses for no good reason except that people did not want to be stuck in traffic. He noted that many people loved the horse-drawn carriages and enjoyed the experience.

Councilmember Castillo supported the TIRZ assisting with procuring e-carriages but ultimately she would not want to shut down the businesses.

Mayor Nirenberg noted that Chapter 33 had been reviewed every five years and he had requested a review of horse-drawn carriages several years ago, so this conversation was overdue. Mayor Nirenberg suggested that the research reaffirmed that many communities had the same conversation for many reasons and the survey indicated that the public was supportive of a transition. He added that regulations always impacted industries, often economically. He commented that the average participant in the Ready-to-Work Program went into the Program earning \$14,000 per year on average and bringing them up to \$45,000 a year and this was a significant improvement; this would be a different use of the Ready to Work Program to re-train individuals making higher wages.

Mayor Nirenberg defended the decision to take the issue to the Transportation & Infrastructure Committee as the Committee was well-represented by Councilmembers. He asserted that although he did not believe their horses were treated inhumanely, he still recommended transitioning away from horse-drawn carriages quickly and did not support e-carriages as a replacement since this was a

transportation issue and the e-carriages would still cause traffic congestion issues.

City Manager Walsh stated that staff would bring an Ordinance back to City Council soon that would transition the horse-drawn carriage industry out.

EXECUTIVE SESSION

There was no Executive Session.

ADJOURNMENT

There being no further discussion, the meeting was adjourned at 2:54 p.m.

Approved

**Ron Nirenberg
Mayor**

**Debbie Racca-Sittre
City Clerk**