



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: {{item.number}}

Agenda Date: August 31, 2023

In Control: City Council A Session

DEPARTMENT: Economic Development Department

DEPARTMENT HEAD: Brenda Hicks-Sorensen

COUNCIL DISTRICTS IMPACTED: District 9

SUBJECT:

Resolution authorizing an Interlocal Agreement between the City of San Antonio and Bexar County.

SUMMARY:

A resolution authorizing an Interlocal Agreement between the City of San Antonio and Bexar County affirming the City's administrative authority over a project area in the city to be designated as a Texas Enterprise Zone Project (TEZ) by Bexar County, and approving Bexar County's nomination to the State of Texas of the VHS San Antonio Partners, LLC DBA Baptist Health System, et al ("Baptist Health") of the project area of North Central Baptist Hospital located 520 Madison Oak Dr., San Antonio, TX, 78258 as a TEZ Project.

BACKGROUND INFORMATION:

The Texas Enterprise Zone (TEZ) Project designation is an economic development tool that local communities can utilize to partner with the State of Texas to promote job creation and significant private investment that will assist economically distressed areas of the state. Currently, Baptist Health employs approximately 1,073 full-time employees at the North Central Baptist Hospital and plans to spend \$24 million for the addition of a Wound Care Center and expansions in the

hospital's Robotic Surgery and Cardiovascular programs with additional enhancements to Women's Services.

ISSUE:

The proposed project area is located within the City's jurisdiction. In accordance with Section 2303.004(c) of the Texas Government Code, prior to nominating Baptist Health for designation as a TEZ, Bexar County must enter into an Interlocal Agreement with the City of San Antonio. The Interlocal Agreement is intended to confirm the City's jurisdiction and administrative authority over the project area to be nominated as a TEZ and serve as evidence of the City's approval of Bexar County's nomination of Baptist Health as a TEZ. The approval of Bexar County's nomination and the Interlocal Agreement between the City and Bexar County must be authorized by the adoption of a resolution by City Council. Bexar County Commissioners Court is scheduled to consider approval of the Interlocal Agreement and the TEZ nomination for Baptist Health on July 11, 2023.

By approving this Resolution, the City is not making a nomination from its allotment of TEZ designations.

ALTERNATIVES:

City Council could choose to not authorize the Interlocal Agreement, which would impede the County's nomination and could adversely affect Baptist Health's decision to grow their operations in San Antonio.

FISCAL IMPACT:

There is no fiscal impact.

RECOMMENDATION:

Staff recommends approval of an Interlocal Agreement between the City of San Antonio and Bexar County affirming the City's administrative authority over a project area in the City to be designated as a Texas Enterprise Zone (TEZ) Project by Bexar County and approving Bexar County's nomination to the State of Texas of the Baptist Health project area as a TEZ Project.