

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



**Meeting Minutes
City Council B Session**

City Hall Complex
San Antonio, Texas 78205

2021 – 2023 Council Members

Mayor Ron Nirenberg

Mario Bravo, 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
Ana Sandoval, Dist. 7 | Manny Pelaez, Dist. 8
John Courage, Dist. 9 | Clayton Perry, Dist. 10

Wednesday, January 26, 2022

2:00 PM

Municipal Plaza Building

The City Council convened a regular meeting in the Norma S. Rodriguez Council Chamber in the Municipal Plaza Building beginning at 9:00 AM. City Clerk Debbie Racca-Sittre took the Roll Call noting a quorum with the following Council Members present:

PRESENT: 11 – Nirenberg, Bravo, McKee-Rodriguez, Viagran, Rocha Garcia, Castillo, Cabello Havrda, Sandoval, Pelaez, Courage, Perry

ABSENT: None

ITEMS

1. Briefing on the American Rescue Plan Act (ARPA) Fiscal Recovery Funds and recommended spending framework based on community engagement and City Council input. [María Villagómez, Deputy City Manager; Veronica A. Carrillo, COVID-19 Executive Officer]

City Manager Erik Walsh provided an overview of the process and categories for ARPA Funding and highlighted various proposed projects that would enhance the 2022-2027 General Obligation Bond Program. Walsh noted that periodic adjustments and review on a twice a year basis would be needed to continue to maintain flexibility to respond to new issues and priorities or changing conditions.

Claude Jacob, Director of Metro Health provided a brief update on the status of COVID-19.

Veronica Carrillo, COVID-19 Executive Officer provided a timeline of the ARPA Fiscal Recovery Process from June 2021 through February 2022. Carrillo reviewed the Strategic Guiding Principles for the \$324.9 million in ARPA Funding which included: Covid-19 Response, Immediate Community Needs, Impactful Investments, One-Time Investments, and Leverage Partnerships. Carrillo explained that there was a balance of \$212.5 million and listed staff recommendation for use of these funds.

Mayor Nirenberg opened the discussion by describing the process that would be utilized moving forward with City Council Committees to discuss the ARPA spending categories of ARPA funding within their strategic areas. Mayor Nirenberg requested an overlay of the hospitalization numbers over the historical COVID positivity rate as a comparison of the historical trends. Mayor Nirenberg mentioned that ARPA Funding could be reallocated if it was not spent on the emergency needs and suggested strengthening the hazard mitigation plan. Mayor Nirenberg requested that Council consider the broad categories during the discussion at the meeting and approve the spending framework. Mayor Nirenberg asked Walsh to further outline the Committee process.

Walsh said that the City Council Committees would weigh the community engagement as a part of the review in the strategic areas, then set the parameters for outcomes and impacts that would be needed to determine the exact investments.

Mayor Nirenberg stated that he supported leveraging funding and the following specific requests: Texas Biomed, Morgan's Wonderland, Educare.

Councilmember Cabello Havrda asked if there was an amount that could only be spent on immediate needs and requested clarification on the distribution of funds. Villagomez said that \$40.9 million was recommended for immediate needs and that the City had \$35 million left from the first allocation and expect a second distribution of funding in May 2022 for half of the funds. Councilmember Cabello Havrda asked about the distribution of funds for employees. Villagomez and Walsh explained that the Employee Management Group would meet this spring and that there would be a detailed discussion on employee compensation within the FY2023 budget work sessions in the summer.

Councilmember Cabello Havrda asked how many children would be enrolled in Educare. Melissa Jozwiack with A&M San Antonio explained that Educare was a laboratory school that would offer training for professionals in addition to providing direct care for 250 children aged birth through kindergarten.

Councilmember Cabello Havrda supported funding for Texas Biomed, owner occupied rehab

programs, SA Digital Connect programs to provide internet, Court Appointed Special Advocates (CASA) and South Alamo Regional Alliance for the Homeless (SARAH) to help Foster Youth, Old Spanish Trail Healthy Living Program, Autism Community Network, full \$15 million in funding for Morgan's Wonderland, the Battered Women's Shelter and efforts to support victims of domestic violence, loans for Small Businesses, programs to provide food security.

Councilmember McKee-Rodriguez expressed gratitude for everyone who worked on the recovery and the ARPA. Councilmember McKee-Rodriguez supported equitable funding for F Streets, restoration of the Public Art allocation to 1.5% in the 2022 Bond by moving bridge projects into ARPA. Councilmember McKee-Rodriguez requested \$5 million to establish an innovative senior center in City Council District 2 with the goal of connecting seniors with affordable housing. Councilmember McKee-Rodriguez supported using ARPA funding to address access to quality affordable food and childcare. Councilmember McKee-Rodriguez recommended cash grants for Small Businesses. Councilmember McKee-Rodriguez expressed support for affordable housing and support for the most marginalized communities such as persons with disabilities, seniors, and houseless persons.

Councilmember Sandoval noted that the need was tremendous but the community's ideas and innovations were also tremendous. Councilmember Sandoval recommended leveraging funding with other entities. Walsh mentioned a collaboration with Center for Health Care Services and South Texas Regional Advisory Council (STRAC) with the county on leveraging mental health funds and said that staff would continue to work with Bexar County on other areas of need.

Councilmember Sandoval asked for clarification on the strategies used for determining amount of funds in the categories and how many funding proposals had been received. Villagomez replied that staff took community and Council feedback into consideration and that there were 31 unsolicited written requests received. Councilmember Sandoval wanted to ensure smaller organizations had opportunities. Walsh explained that there were different categories previously discussed by City Council and that most of the recommendations made by staff today were one time uses, particularly for capital projects but the Committees would develop a framework and staff would issue a request for proposals.

Councilmember Rocha Garcia reminded everyone that Districts 2, 3, 4 and 5 were disproportionately impacted by COVID. Councilmember Rocha Garcia asked about funding of economic development projects. Walsh explained that there were new guidelines issued by the United States Department of Treasury which included expansion of the definition of "revenue replacement" which included economic development as a general government expense. Councilmember Rocha Garcia asked if there was a rubric already developed to be used by the Council Committees for evaluation of projects. Walsh said that impact should be the most important metric considered and explained that after the committees develop their rubric, the rubric would be taken back to the full council for discussion, then return to the Committee. Councilmember Rocha Garcia was concerned that not all Councilmembers are represented on all Committees. Walsh offered that the conversation could continue in another B Session with a Committee of the Whole.

Councilmember Rocha Garcia supported funding \$1.25 million for 10 specialized vehicles to be purchased by CentroMed, South Texas Blood and Tissue Center, Educare, Morgan's Wonderland,

and Small Business Relief.

Councilmember Perry stressed that funding should be one-time and was concerned that funding for some items such as mental health, youth, seniors, digital inclusion and arts might build in more than one-time costs and recommended more money for Small Businesses noting that the Hispanic Chamber requested \$50 million. Councilmember Perry supported Morgan's Wonderland at \$15 million and the request from BioMed. Councilmember Perry did not support premium pay and suggested putting more money into F Streets. Councilmember Perry did not support funding for Art and recommended moving those funding and organizations into the Small Business Category.

Councilmember Courage noted \$50 million set aside for COVID Response and requested how much had been spent by the City and whether the Federal Emergency Management Agency (FEMA) would reimburse anything. Villagomez reported that \$175 million had been spent and that FEMA was reimbursing for eligible expenditures at 100% through April 1, 2022, afterward would go to 75%. Councilmember Courage asked Villagomez to clarify how certain pilot programs such as mental health and domestic violence were being funded. Villagomez explained that the proposed ARPA funding would continue those pilot programs for 2 more fiscal years. Councilmember Courage tallied the funding for immediate needs and impactful investments and expressed concern that they would not have more time to review. Councilmember Courage requested a comparison of the FY2019 funding for Art versus the proposed total FY2022 budget for Art both in the operating and the capital budget.

Councilmember Pelaez invited non-Committee members to the Economic and Workforce Development Committee. City Attorney Andy Segovia confirmed that they could attend but not participate in the discussion. Councilmember Pelaez posited that the purpose of ARPA was to "rescue" the economy and that it could take a long time to recover from the pandemic. Councilmember Pelaez warned that the City should not become dependent on the Federal COVID "windfalls." Councilmember Pelaez supported funding for Moran's Wonderland, \$50,000 for the Children's Bereavement Center.

Councilmember Castillo supported premium pay for employees who were required to work on-site from the COVID-19 Response allocation and recommended the conversation about hazard pay be kept separate from employee pay structure. Villagomez said that the conversations would begin soon with the Employee Management Committee. Councilmember Castillo supported funding for Arts Agencies and Public Art, Small Business Grants. Councilmember Castillo requested additional funding for EHAP and recommended a dashboard for the Risk Mitigation Fund. Councilmember Castillo supported funding for F Streets and requested that the funding be flexible enough to fund sidewalk gaps.

Councilmember Bravo was pleased that the Public Art funding was restored in the Bond Program by using ARPA to offset the Citywide Bridge Projects. Councilmember Bravo supported funding of F Streets, South Texas Blood and Tissue Center, Educare, Morgan's Wonderland and mental health programs. Councilmember Bravo requested including micro businesses within the Small Business Grants and expressed support of using the funding proposed for employee premium pay to help Seniors with basic needs and programs for Youth. Councilmember Bravo wanted to support the Warming Centers and homeless programs that were working to address immediate needs and

suggested that the City could provide air purifiers and COVID tests.

Councilmember Viagran wanted to ensure that there were more conversations on employee compensation, benefits and retention particularly for those on the Step Pay Plan. Councilmember Viagran requested quarterly updates at the respective Council Committees for programs started in FY2022 before they should be included to be continued with ARPA. Councilmember Viagran recommended larger conversations about equity instead of funding F Streets, Viagran advocated for allocating \$7 million to Texas A&M Educare and Morgan's Wonderland at a larger amount along with conversations about the lack of utilities and other infrastructure in District 3.

Councilmember Viagran submitted letters of support for Educare funding into the record and asked Texas A&M University President, Dr. Cynthia Madsen to provide information on Educare. Dr. Madsen explained that the project had 27 partners and the \$7 million would provide leverage of braided funding. Councilmember Viagran recommended further consideration of reducing the Youth funding to give Educare their full request.

Councilmember Sandoval supported \$10 million for hazard pay and perhaps an increase but expressed concern that the request was taking a long time. Councilmember Sandoval asked how other requests could be considered during the process such as Immigrant Services. Villagomez explained that the approach was to listen to the community, set categories, and have the Council Committees develop outcome measures before nonprofits apply. Councilmember Sandoval wanted to ensure that the following vulnerable populations were included such as the immigrant community, domestic violence (capital funding for the Battered Women and Children's Shelter), and funding for capital improvements to provide disable persons needing access to City facilities which were included in recommendations by the Disability Access Committee.

Councilmember McKee-Rodriguez requested consideration of the needs of small non-profit organizations and requested a certain amount of funding to be dedicated to them. Councilmember McKee-Rodriguez supported funding for the Emergency Housing Assistance Program (EHAP) and the Children's Bereavement Center. Councilmember McKee-Rodriguez supported staff's recommendation for \$10 million to be spent on F Streets. Councilmember McKee-Rodriguez proposed to give more points in the request for proposal process to those who serve Districts 2, 3, 4, and 5 as those districts were most adversely impacted by COVID. Councilmember McKee-Rodriguez did not support funding for BioMed because they performed animal testing. Walsh suggested that support for small nonprofits could be accomplished through the Small Business category.

Councilmember Cabello Havrda supported funding for the Children's Bereavement Center.

Councilmember Pelaez supported sending the discussions to Committee. Councilmember Pelaez did not support reducing money for F Streets. Councilmember Pelaez supported Small Business Grants, \$15 million for Morgan's Wonderland and funding for BioMed.

Councilmember Rocha Garcia supported funding for the Arts and recognized her representative on the San Antonio Arts Commission, Susana Segura. Councilmember Rocha Garcia outlined the request from CentroMed for funding for 10 vehicles to transport elderly patients. Councilmember

Rocha Garcia supported \$50,000 for the Children's Bereavement Center.

Councilmember Viagran recommended decreasing some funding from mental health in order to fund other programs that she previously supported. Councilmember Viagran asked how input from the San Antonio Arts Commission would be obtained. Villagomez stated that arts would fall under the review of the Community, Health, Environment and Culture Committee (CHECC). Councilmember Viagran asked for guidance on the spending timeline who was responsible for leveraging partnerships. Villagomez recommended the Council Committees develop a 4-year program for ARPA funding with impactful investments to achieve the outcomes desired and staff would implement the program.

Councilmember Courage recommended a separate category for non-profits rather than the functional areas listed such as Seniors, mental health, etc. Councilmember Courage recommended taking half the \$16 million in continued funding for the pilot projects as well as unspent funds to provide help for nonprofits.

Councilmember Castillo supported extending the grant eligibility for Small Businesses to micro businesses. Councilmember Castillo requested more funding for EHAP than the \$10 million and recommended some of the funding come from Texas BioMed allocation. Councilmember Castillo did not support reducing allocations for mental health. Councilmember Castillo wanted to ensure that District 5 residents could access and visit Morgan's Wonderland before she offered her support and suggested partnerships with local school districts. Councilmember Castillo supported creating a separate category for small nonprofits. Councilmember Castillo supported funding for American Gateways, Academica America, and the South Texas Blood and Tissue Center.

Councilmember Bravo supported the request for more EHAP but did not support the funding coming from a reduction to the allocation for Texas BioMed.

Mayor Nirenberg closed the discussion with gratitude for everyone involved in the process and stated that overall, the staff presentation was on-point with only a few suggestions. Mayor Nirenberg summarized that there would be a Council Committee process to review the respective areas of the plan and that staff should ensure that all Councilmembers get to review the entire plan and all proposals. Mayor emphasized that this was one-time money and investments needed to be impactful. Mayor Nirenberg noted that there was broad support for Morgan's Wonderland, Educare, BioMed and the Children's Bereavement Center. Mayor Nirenberg stated that he was not opposed to creating a separate category for nonprofits but wanted to know how this might be implemented.

City Manager Walsh added that if there was more funding, the Small Business allocation should be increased but suggested that the non-profit and other impacted populations category needed to be considered within what was discussed with the community. Mayor Nirenberg added that there was overall support for the request for \$50,000 for the Children's Bereavement Center, which could be accomplished administratively by the City Manager.

Meeting was recessed at 4:58 PM into Executive Session.

EXECUTIVE SESSION

At any time during the meeting, the City Council may recess into executive session in the Presidio Conference Room or the B Room to consult with the City Attorney's Office (Texas Government Code Section 551.071) and deliberate or discuss any of the following:

- A. Economic development negotiations pursuant to Texas Government Code Section 551.087 (economic development).
- B. The purchase, exchange, lease or value of real property pursuant to Texas Government Code Section 551.072 (real property).
- C. Legal issues related to collective bargaining pursuant to Texas Government Code Section 551.071 (consultation with attorney).
- D. Legal issues related to litigation involving the City pursuant to Texas Government Code Section 551.071 (consultation with attorney).
- E. Legal issues relating to COVID-19 preparedness pursuant to Texas Government Code Section 551.071 (consultation with attorney).

ADJOURNMENT

Council concluded Executive Session at 5:38 PM. No official action was taken during Executive session. Meeting was recessed at 5:43 PM.

Approved

Ron Nirenberg

Attest:

Debbie Racca-Sittre
Interim City Clerk