

## **International Downtown Association**

### **San Antonio IDA Panel Report**

**San Antonio, TX**

**May 3-6, 2008**

#### **Introduction**

Downtown San Antonio is a study in contrasts. The internationally renowned River Walk, one of the top tourist attractions in Texas and an asset to San Antonio's convention business, is vibrant, attractive, and well-maintained. At the same time, street-level downtown San Antonio needs significant improvement to match the quality and economic contribution of the River Walk. New downtown apartment, loft and condo projects are beginning to give residents enticing reasons to consider living downtown; yet San Antonio lags behind several other Texas cities in delivering enough units to create a true "urban village." Local residents take out-of-town visitors to downtown for an evening on the River Walk, but many avoid downtown because it is considered too congested, too touristy, and too difficult and expensive to park.

The City of San Antonio has recognized the challenges facing downtown and invited the International Downtown Association to convene a group of downtown experts in early May 2008, to assess current conditions and recommend organizational and governance changes in the management and leadership of downtown San Antonio. The IDA Advisory Panel convened on Saturday, May 3, and delivered preliminary recommendations on Tuesday, May 6, after an intensive series of meetings, interviews, tours and deliberations.

This report offers the City a number of options to consider in terms of a new organizational structure and mission; and recommends the option the panel believes will move downtown San Antonio in the desired direction most efficiently, most effectively, and with the broadest support of local leaders and citizens.

The report is divided into four sections:

- A listing of observations by panelists concerning downtown's current condition, attitudes and perceptions about downtown, and the challenges facing downtown leadership.
- Findings and conclusions based on these observations.
- Preliminary recommendations regarding the creation of a new governance, leadership and management structure for downtown.
- An addendum listing panelists and the process.

## **General Observations**

In San Antonio today, it appears that there is emerging a new definition of “downtown.” When asked, many if not most of the people the panel interviewed agreed that the old “downtown” within the freeways was only a part of what many now consider “downtown.” Most interviewees thought that downtown or, as it will be referred to in this report, “center city,” now includes interrelated and interdependent infill growth areas to the north, east, west and south beyond the traditional boundaries of downtown. While these are unique neighborhoods, for the purposes of this report, “center city” will be used when referring to the broader definition of downtown.

Nevertheless, there is also widespread agreement that there is a lack of shared vision for this larger area known as the center city. Without a shared vision, it is difficult for City officials, Downtown Alliance leaders, and individual businesspeople to pull consistently in the same direction and over time. Energy is wasted, time is wasted, and conflicts occur unnecessarily.

A shared vision could guide San Antonio's leaders in determining how much emphasis and how many resources are devoted to developing the hospitality, office and residential markets. A shared vision could offer direction in terms of center city's need for better maintenance, public realm beautification, parking services and transportation, security, and a host of other needed *program and service* improvements.

One of the most basic and essential elements of any downtown is the public realm. What makes downtowns and community business districts different from shopping centers and office parks is that the streets and sidewalks are open to, and for the most part the responsibility of, the public sector. Within the public realm are many elements of urban design – not just sidewalks and streets, but parks and plazas, trees and plantings, street furniture and signage. How are these designed and maintained? All of these contribute to the “downtown experience.” Is it pleasant, safe and welcoming? Or is it, as different city’s downtown manager described his own city’s condition 15 years ago, “dirty, dull and dangerous”?

IDA’s advisory panelists made the following observations about downtown San Antonio’s public realm:

### **Leadership**

The city has played a lead role in revitalizing downtown. Private sector leaders and others commented on the City’s programs and incentives during private interviews. Panelists also had the opportunity to meet with City staff and to observe conditions for which the City is responsible on the street and River Walk levels of downtown.

- The City’s top leadership is credited with improving the way development is handled. The one-stop permitting office was cited by a number of developers as an example of this improved process.
- City Council’s role in downtown development is more nebulous. Some Council members are seen as advocates for downtown. Others are perceived as more concerned with their own districts, although not necessarily negative toward downtown.
- A downtown economic development strategy was not apparent. Panelists asked if one existed, and no one seemed to know.
- Similarly, there seems to be no shared vision within the City, or for that matter, within the community, for downtown.

### **Management**

Overall management of the downtown core and peripheral areas – the “center city” – is fragmented and inconsistent. Parts of center city are well-maintained and welcoming, especially the River Walk. Other areas feel safe but need maintenance. Sidewalks are broken and cracked, weeds are apparent, and some sidewalks need power-washing. If management of the downtown area can be compared to management of a shopping center, office park, or theme park, all of the basic functions – maintenance and security, parking and transportation, marketing and promotion, leasing and tenant relations, programming of public spaces – need to be addressed efficiently, effectively, and in a coordinated fashion. In terms of management, here is what panelists observed and heard:

- Parking was cited several times as a negative. The perception is that this is both a real and perceived problem in downtown. Because the City is responsible for on-street parking and operates a number of surface parking lots and structures, City management of public parking was the subject of consistent criticism.
- The City is given great credit for extending the River Walk to the north. This is seen as a long-awaited opportunity to encourage development in this part of downtown.
- The City has been active in providing incentives for development. However, developers feel that there should be a “checklist” and that if a project qualifies for certain incentives, these should be accorded, not subject to further negotiation. Predictability is desired, and developers perceive uncertainty instead.
- No one seems to be addressing the issue of downtown street-level retail. There was no plan that panelists were aware of, and there was no entity responsible for the creation and implementation of such a plan.
- Overall, City maintenance of the public realm is improving, but further improvement is needed. The condition of the River Walk was mentioned by others and observed by some panelists to be an improvement over past years.
- In general, the quality of the public realm varies widely. The River Walk is clean, well-maintained and well-designed, and it feels safe. It is apparent that the City and Downtown Alliance are working hard to keep this “jewel” sparkling and inviting.

- At grade or street level, conditions in the public realm are inconsistent and spotty. In some areas, there is apparent attention to design and maintenance. Some sidewalks are new or in good condition, trash receptacles are present and attended to, graffiti is absent or inconspicuous, and signage and lighting are good. In other areas, sidewalks are cracked and broken, or in need of power-washing; trees are missing or damaged, trash receptacles are not provided or if they are, are full to overflowing; signage, particularly parking signage, is absent; and general conditions are less attractive.
- Attraction signage is bright, colorful and helpful.
- Some parks are clean and well-maintained. Others need a better level of basic maintenance and seem to be havens for homeless people.
- Panelists observed the slightly askew grid pattern of streets and found that it gave downtown a European look, pleasant and intriguing, with attractive vistas. However, they can also be disorienting to the visitor. San Antonio's wayfinding signage and other directional cues are key to helping the visitor with this kind of downtown layout. As downtown grows, this signage program should be expanded and refined.

### **Architecture and Physical Development**

Downtown's building stock is remarkably good. As one panelist remarked, downtown has "good bones." Regarding the building stock, panelists observed:

- Some streets offered a line of pre-WWII buildings that were visually interesting, of an appropriate scale, and in good or restorable condition.
- Other streets were marred by surface parking lots, breaking up blocks and offering less desirable pedestrian experiences.
- One vacant and graffiti-marked older high-rise is a true civic eyesore, detracts from the skyline and hinders nearby development. This building owner should be held accountable for code compliance.
- Vacancy rates at street level on some important streets are unacceptably high.

- Quality high-rise and mid-rise residential developments in the core area of downtown indicate serious developers are confident in downtown's future as a place to live.
- Hotel towers vary from well-designed and attractive to mediocre.
- There are still a number of development opportunities in terms of vacant buildings on the River Walk.

### **Involvement of the Private Sector**

The Downtown Alliance is the primary private sector vehicle for downtown revitalization. This organization dates back to 1982, and has stable and respected leadership for more than 20 years. With more than 400 members, this organization can claim to speak for much of the downtown business community. Using assessment funds from the Public Improvement District, the Alliance deploys Amigo ambassadors throughout the district it serves, and contracts for additional cleaning services. The Alliance also functions as a forum for discussions of downtown issues.

- Panelists agreed that the Amigo program was a step in the right direction for the Alliance; this is a service most BIDs in downtown areas now provide.
- There are a number of marketing challenges for the Alliance to consider and undertake. Marketing downtown to the broader community and communicating the value of downtown to various constituencies is an appropriate task for the Alliance.
- San Antonio's downtown needs a concerted retail and office recruiting strategy and program. This could also fall within the responsibilities of the Alliance.
- Not everyone in the Center City sees the Alliance as the "voice of downtown business."

### **The Downtown Market**

Panelists looked carefully at the variety of markets downtown currently serves. With regard to these markets, panelists observed that:

- The tourism and convention markets dominate downtown to such an extent that they seem to push out other markets.
- Hotels catering to tourists and conventioners have been favored by sellers when sites are available. This is the market at work, but the net effect is that the downtown real estate market is skewed. Few prime spaces for major office developments are currently available and little office space has been added in years. Office developers simply cannot compete with prices offered by hoteliers. While some may celebrate the market forces at play, remember that this market phenomenon is largely of the city's creation. The River Walk, incentives, parking programs, promotion and other city policy market drivers have contributed to the office-hotel market imbalance. Office jobs are integral to the success of a downtown, and for a city of this size, San Antonio is noticeably short of downtown office space. Serious consideration should be given to policies that level the playing field for office development in the city core.
- Tourism also has had an effect on local residents and their attitudes towards downtown. Many interviewees reported that local residents consider downtown "only for tourists" and thus avoid the restaurants and attractions they might otherwise patronize on a regular basis.
- There is a concern that sometimes tacky tourist offerings overpromise and under-deliver in terms of the San Antonio "brand."
- The retail market at street level is uneven. Some streets are clearly "tourist" streets; others have attempted a higher quality retail mix. Vacancies are unacceptably high.
- The office market is undersized for a city that is the nation's seventh largest. Given downtown San Antonio's affordability, quality of life, central location, internal accessibility, regional access and other unique features it was the panelists' opinion that there is room (and possibly significant unmet demand) for growth in the office market. This represents an important market opportunity for the city. See above for more office market discussion.
- The residential market shows real signs of strength. Quality developers are bringing a host of different condo and apartment products on line, and these seem

to be finding takers. However, San Antonio is still somewhat behind in terms of the number of residents living in downtown; and the current downtown mix of residents is less market rate and more subsidized than other comparable cities.

- There are still real estate development opportunities along the River Walk, which is a powerful and unique attraction.
- There is significant potential for redevelopment with other anchors beyond River Walk and the Alamo (e.g., Main Plaza, Houston Street, UT San Antonio, the Mercado, North River, and SoFlo.)

## **Findings and Conclusions**

### **Leadership, Partnership, and Vision**

Overall, the panel was impressed with the City's leadership. The mayor, city manager, and deputy city manager are strong advocates for downtown and appear willing to make tough choices to bring about needed changes. The board and staff of the Downtown Alliance also are committed to building a strong downtown. However, panelists concluded that:

- Center City leadership is at present fragmented, often inconsistent, and hard to sustain. Current term limits for the mayor and city council make it next to impossible to provide developers and investors with the stability they need if center city is to reach its full potential.
- The Downtown Alliance has long-standing, broad-based business support and a chief executive who has been in place for two decades. The scope of its services, however, is limited. This may be a resource issue.
- Various center city organizations seem to compete for membership and resources.
- A compelling, shared vision for the center city does not seem to exist.
- Similarly, a shared economic development strategy for center city is lacking.
- Center city leaders, both public and private, need support, consistency, encouragement, and nurturing.

## **Downtown Management**

There are many opportunities to improve center city management. In fact, these opportunities are in many ways the reason for the IDA Panel. Both city leaders and business leaders see a need for, and the possibility of, a much better and more coordinated level of management in San Antonio's downtown.

- There is no coordinated business recruiting and retention program specifically for the center city. The City departments come together when a major opportunity presents itself; but on a day-to-day basis, no one is assigned the task of concentrating on recruiting office tenants, retail stores, and restaurants.
- Parking services management could be improved. Parking is one of the most frequently heard complaints, and yet downtown has a surplus of parking spaces. A host of management improvements could address this issue.
- Maintenance and security are improving but inconsistent. Some areas of downtown are well-maintained and feel safe. Others are clearly not receiving the same level of attention. Concerns were expressed by some people interviewed by the panel regarding safety. Off the River Walk, the public realm is not competitive with other comparable cities for attracting office, retail or residential uses.
- Marketing of downtown largely seems to reside with the Downtown Alliance. However, it is not clear how much of the Alliance's resources are devoted to marketing downtown. The Southtown web site has a more extensive list of events, galleries, museums, and restaurants. Visit San Antonio web site markets the entire city, but features downtown to a significant extent. The Paseo del Rio Association also markets downtown to some degree. A more robust marketing effort is needed.
- No one seems to be articulating or managing a downtown or center city "brand." As a result, the "brand" is actually two destinations: the River Walk and the Alamo. But what message does this send to potential businesses that may be amenable to a downtown location? Would a restaurant that seeks to serve a local clientele consider downtown a good location? Does the lack of brand

management affect the potential for residential development? Does it decrease demand for non-River Walk-oriented customer serving development? These are questions that San Antonio's stakeholders, both public and private sector, must address. Two fundamental questions: What is the downtown brand promise? Does San Antonio live up to the brand promise?

- Management of the economic development effort for downtown is largely reactive, and overall goals either do not exist or are not clear.
- Responsibility for managing and promoting residential development appears fragmented.
- There does not seem to be one "go to" person, department, organization or agency when it comes to the center city.
- Not all is bleak by any means. Projects like the Pearl brewery, Sunset Station, the Camp Street Lofts and the adjacent private park all show what can be done at a very high level of quality in center city San Antonio. These projects should be leveraged and used as benchmarks for future development.

## **Recommendations**

Addressing the opportunities and challenges that currently exist in center city San Antonio will not be easy – but failing to do so could mean missing a once-in-a-decade window of opportunity. Today in San Antonio there exists a City government willing to make the tough decisions and implement the action steps necessary to achieve major change in this crucial part of the city. The private sector leadership organization, the Downtown Alliance, has indicated its willingness to work hand-in-hand with the City to achieve a new vision for downtown and to implement programs to achieve that vision. Other private sector stakeholders – developers, property and business owners, and residents – all see the need for change and the potential rewards if such efforts are successful.

The question, then, is how best to achieve the vision. The panel unanimously agreed that a new organizational vehicle is needed. However, panelists also agreed to consider all

options, including the status quo. The chart below summarizes the options considered by the panel.

	Status Quo	Improve City Departments	Downtown Alliance +	URA/ DDA	New Umbrella
<b>Pros</b>	Cheapest	Necessary but not sufficient	Organizational capacity	Taxing authority	No baggage
	No threat	More responsive and efficient	Credibility and track record	Bonding and land acquisition	Designed to meet current and future needs
	Easiest		History in downtown Has resources/can raise funds Strong partner	Official status in city structure Open and transparent Entity exists - inactive	Nimble and entrepreneurial
<b>Cons</b>	Least effective	Not sustainable	Limited scope of downtown	Governance complexities	No track record
	Not sustainable	Certain key functions Better located outside city hall	Development experience Leadership stakeholders have focused geographic scope		Many stakeholder entities Potential political resistance

Looking at these options one by one, the panel found:

Option I – Status Quo was the easiest and cheapest to implement, because no real change is involved. However, it will also prove to be the least effective, and in the end is not sustainable.

Option II – Improving the effectiveness of existing city departments and internal functions is a necessary first step and will lead to increased efficiency and responsiveness; but it also is seen as not reliably sustainable (term limits, etc...), and will not in the end produce enough in terms of results so that positive momentum and enthusiasm can be sustained. Furthermore, stakeholders, both from the private and public sectors, believe certain functions now performed internally can best be accomplished outside of City Hall.

Option III – Bolstering the Downtown Alliance also makes sense, but once again is seen by panelists as a necessary but insufficient and unsustainable step. The Alliance does

have credibility and a track record, a long history of working as an advocate for downtown, and the ability to leverage private sector funding. Questions: does it have the organizational capacity (constituency support and otherwise) to undertake management and coordination of multiple functions like business recruiting, business retention, parking and transportation, event management, and greatly expanded maintenance and security inside and outside its traditional boundaries?

Option IV – Reactivating the dormant development authority or creating a new quasi-public authority might make real sense, because such entities can exercise limited taxing powers, guaranteeing a steady source of funding; they can issue bonds and assemble land for development; and as public entities, they operate in a fairly open and transparent way. On the other hand, they are complex government organizations with attendant rules and restrictions which could impede developments in some circumstances.

Option V – A new “umbrella” organization (which the panelists tentatively called the “Center City Partnership” is proposed as the preferred choice by the panel. Under the “umbrella” of the Partnership, panelists see the following functions:

- Clean and safe programs – maintenance of the public realm and enhanced security services
- Branding and marketing – managing the downtown brand, and marketing downtown to investors, businesses, and to the public.
- Event coordination – attracting, scheduling, and in some cases managing and sponsoring downtown events.
- Neighborhood partnerships – providing joint programs with and technical assistance to community and neighborhood organizations to create mixed use urban villages.
- Parking and transportation management – working with the city and other entities on transportation demand reduction; and creating a very user friendly downtown parking system and Transportation Management Organization (TMO).
- TIF management – managing and directing the use of TIF funds in downtown to encourage and incentivize appropriate developments.

- Residential development – recruiting and assisting developers of residential projects.
- Business retention and recruiting – seen as an essential and currently missing component, robust enough to produce significant results in a two-to-five year time frame, focusing on high-wage jobs and the creative knowledge economy.
- Land acquisition and assemblage – through a development authority and/or through a community development corporation.

Under the umbrella corporation, which most likely would be incorporated as a 501 (c)(6) nonprofit corporation, there could exist additional corporate entities:

- A development authority, which could acquire land, issue bonds, and manage the public parking system.
- A community development corporation, which could acquire property and hold it for future development, and which would work closely with the development authority.
- An events corporation, which could sponsor or manage events (examples might include an expanded farmers market, a street arts festival, a New Years Eve “first night” festival, and many others).

How would San Antonio go about creating an “umbrella” corporation? Who should take responsibility for initiating the process of creating it? What steps should be taken and in what order? What would the structure look like? Who would serve on the board? These, and a host of other questions, need to be addressed if the City of San Antonio decides to move in this direction. While the IDA panel discussed some of these questions briefly, the following section is the work of IDA president Dave Feehan. However, all panelists have reviewed this section and have had the opportunity to comment on it.

How would San Antonio go about creating a new umbrella organization?

As an outcome of the IDA Panel process, it would fall to the City of San Antonio, and more specifically to the City Manager and the Mayor, to convene a group of center city leaders in order to assess interest in and support for the concept. It might be good to meet with individual business and community leaders one at a time in advance of the meeting, as a way of exploring and testing the concept in the least threatening way.

Provided that business and community leaders agree with the thrust of this report; namely, that downtown San Antonio is currently underperforming and inadequately managed in some ways, and that a change in the way it is managed could produce significant improvements and desirable results, the City Manager could instruct staff to conduct a study of similar organizations in other cities. Kalamazoo, Michigan pioneered this structure, but it has antecedents in Denver and other cities, and today cities like Memphis have somewhat similar structures.

Based on this study and the IDA report, the Manager's office would convene a half-day facilitated workshop of downtown stakeholders. The purpose of this workshop would be to produce a structure, identify sustainable funding and secure a commitment to move ahead with the creation of a new organization.

Organizations like the Downtown Alliance should be included in the workshop, as should representatives of major property owners, developers, lending institutions, merchants, institutions like UT San Antonio, and other key individuals.

Once there is consensus on the structure and purpose of the umbrella organization (hereafter called the Center City Partnership or CCP) a working group of city and business leaders with broad center city geographic representation should take the steps to create the corporation, determine the first board of directors, and secure a first year budget.

## Launching the Center City Partnership

One of the first decisions the working group should make is the type of IRS classification the CCP should seek. The advantages of choosing a 501(c)(6) corporation are many. This type of corporation has greater flexibility in terms of public policy and lobbying; it is much easier to obtain than a 501(c)(3); and is less restrictive in terms of funding sources. The major advantage of 501(c)(3) corporations is that contributions can be tax deductible.

The initial board of the CCP should reflect the business and civic interests of downtown. An initial board of 15-17 people, the majority of whom come from the private sector, would make sense. The mayor and city manager should be invited to serve, as should top-level representatives (CEOs or Senior VPs) from major companies, property owners, and developers. Hotels, retailers and restaurant owners should be included, as should representation from the downtown resident community. Institutional representation (UT San Antonio) should also be included.

Funding for the CCP is another major consideration. One sensible approach would be to seek matching commitments from several stakeholders, including COSA, business entities represented on the board and those that are not on the board but with substantial interests in downtown; and institutions like UT San Antonio. Funders should make at least a three-year, and preferably a five-year commitment. The initial base budget (without program expenses) would be in the range of \$500,000, which would pay for a president/CEO, a deputy/vice president/project manager, and one support staff, as well as overhead.

## Recruiting and Hiring the CCP CEO

Perhaps the single most important decision the CCP board will make is the selection of a CEO. To secure the services of someone who can help transform San Antonio's downtown, the community will need to offer: (1) A powerful, committed board of directors; (2) A compensation package in the \$175,000 to \$225,000 range; and (3) a commitment for funding CCP for at least three years.

### CCP Partners, Roles and Responsibilities

CCP will need to negotiate contractual partnerships with COSA and with the Downtown Alliance. Both of these relationships should be negotiated and discussed as CCP is being formed; without strong links to both the City and the Alliance, CCP's effectiveness will be effectively lost.

In terms of COSA, the question that must be addressed is which city services can be staffed and managed by CCP, and under what terms and conditions. Can a nonprofit entity like CCP actually supervise COSA staff? If not, how can certain functions be off-loaded to CCP, and what will happen to the City staff who were formerly employed performing these functions?

The experience of Kalamazoo Michigan could be instructive. When the City of Kalamazoo determined that it wanted to give management authority of the downtown parking system to Downtown Kalamazoo Incorporated (DKI), two things needed to be accomplished. First, through a set of leases, subleases and contracts, responsibility was transferred to DKI. The Kalamazoo Building Authority, which owned the assets of the downtown parking system including parking structures, surface lots, meters and equipment, leased the system to the City of Kalamazoo. The City subleased the system to the Downtown Development Authority (DDA), which was staffed and managed by DKI. DDA contracted with DKI, and DKI hired Coyne Kangesser Parking (later merged with Ampco System Parking) for day-to-day management. Ampco agreed to hire any city staff for 90 days if these staff wanted to continue working for the parking system. However, Ampco also was free to terminate any former city staff after 90 days if they failed to perform. Finally, the City agreed to find other jobs within the City for parking system employees who did not wish to join the Ampco staff.

There may be other creative options for transferring to or contracting for services that are currently COSA's responsibility, but determining these goes beyond the scope of this paper.

Another challenging task will be defining the relationship between the Downtown Alliance and CCP. At present, the Downtown Alliance has a large membership of downtown business and property owners and a long history of serving as a voice for downtown business interests. The panel did not address the relationship between the Alliance and the proposed CCP. However, several options might be considered. For example, the Downtown Alliance, with a restructured board, could become CCP. The Downtown Alliance and CCP could become program partners through a series of contracts and memoranda of understanding. The Downtown Alliance could become a subsidiary of CCP; or the two could merge in some fashion.

#### Functions of CCP

The functions CCP might perform are delineated on page 13. As soon as the relationships with COSA and the Alliance are settled, CCP should begin assuming responsibility for some of the functions listed. Some of these functions might come about as CCP takes on functions no one else seems to doing, like downtown business recruiting and retention. Some might occur through negotiations with the Downtown Alliance, like creating a brand for downtown. Some might happen as the City seeks to find more efficient ways of providing some services it now manages.

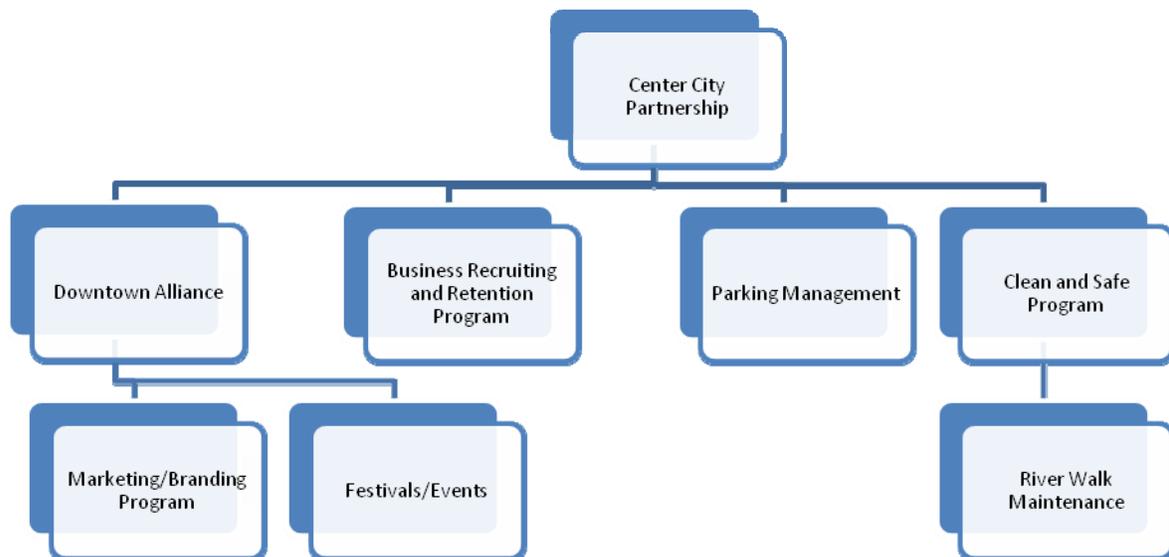
#### Budget for CCP

Another challenge will be securing sufficient funding for the new entity. Beyond the task of funding a base budget, program funding must also be raised. In some cases, funding will come with the function performed. For example, if CCP takes over management of the downtown parking system, a stream of revenues from meters, lots and structures will

follow. Business recruiting, on the other hand, is a new function, and a combination of public and private funds will be necessary to support this program.

It is possible that COSA will realize some savings as it transfers some responsibilities to CCP. A private nonprofit entity may be able to perform some functions cheaper and more efficiently. At the same time, a private entity may be able to leverage private sector funds to enhance and expand services.

To determine a realistic budget for CCP, the City should obtain budgets from other comparable cities. Fort Worth, Austin, Dallas and Houston all have well-developed downtown programs. Other cities that could provide useful information are Denver, Seattle, Phoenix, and Indianapolis.



Potential Organization Chart for Center City Partnership (selected functions)

## **Conclusion**

San Antonio's downtown and adjoining neighborhoods are ripe with opportunity. A window of opportunity exists in spite of a national economy that is in recession, and a mortgage crisis that has affected housing markets nationwide. San Antonio is blessed with a mayor who understands the value of downtown and supports investment in downtown. The City Manager and her staff are prepared to take action to put in place a set of mechanisms that can make downtown San Antonio not just competitive, but a regional and national leader.

Achieving this potential, however, will not be easy. Creating a new organizational vehicle is, in itself, a major challenge. There will be those who see this as an unnecessary new layer of bureaucracy; others will see it as a threat to the established order; still others might see the danger that jobs will be lost instead of created.

The potential benefits, in the opinion of the IDA panelists, far outweigh the risks and dangers. In fact, panelists believe that, barring a wholesale change in the way economic development activity occurs in the city, only a major organizational effort such as this can marshal support, foster and sustain a shared vision and develop cooperative programs across this large geographic area.

The IDA Panel urges the City of San Antonio and its private sector partners to move ahead deliberately but expeditiously. The window of opportunity that has favored downtowns for the past two decades may begin to close; and opportunities such as the one that now faces San Antonio may not reappear for another generation.

## **Addenda**

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