

PROPOSED FY 2021 OPERATING & CAPITAL BUDGET

Economic Development Department
Budget Work Session
August 19, 2020



Presented by: Alejandra Lopez, Economic Development Director

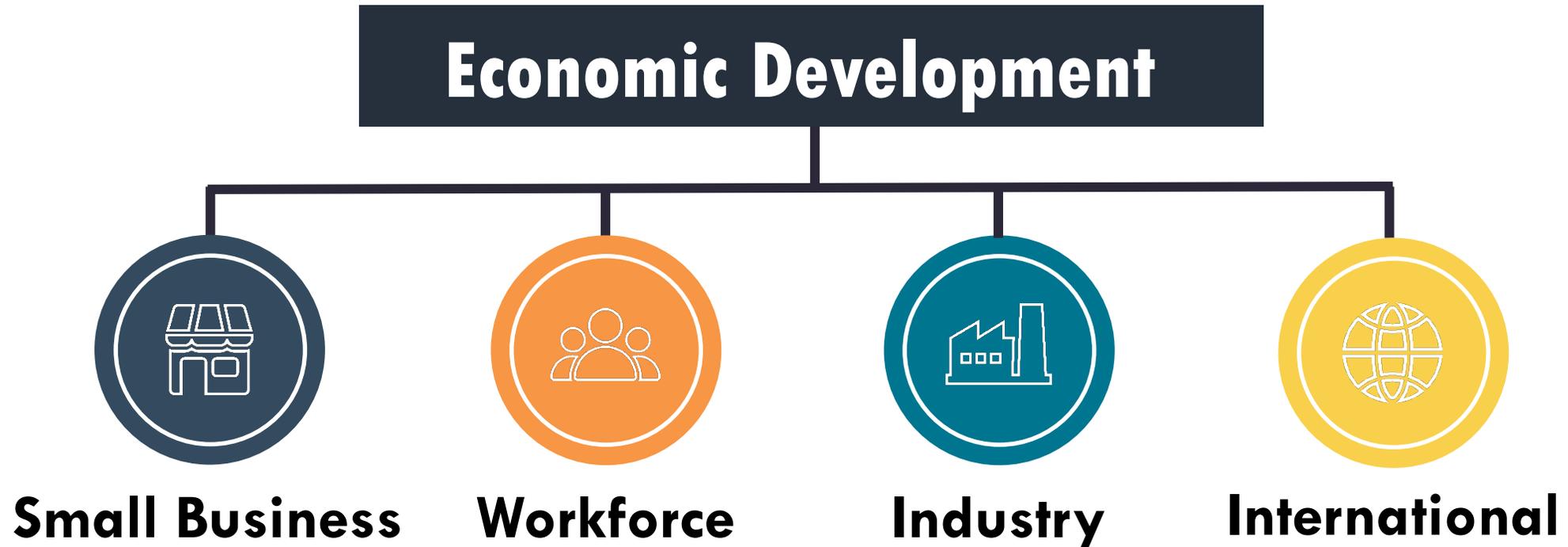


Economic Development Purpose

- Foster economic growth through collaboration and innovation
- Promote equity through economic opportunity



Department Overview



FY 2021 Proposed Budget

Funds (\$ in Millions)	FY 2020	FY 2021	Change
General Fund	\$9.6	\$10.6	\$1.0
General Fund Transfer to Economic Development Incentive Fund	\$2.2	\$0.55¹	(\$1.6)
Delegate Agencies	\$3.7	\$2.9	(\$0.8)
Total	\$15.5	\$14.1	(\$1.4)
Positions	38	38	0

¹ City's Contribution to the Economic Development Foundation (\$500K) and Cybersecurity Agreement with the San Antonio Greater Chamber of Commerce (\$50K).

Recovery & Resiliency – Small Business CARES Grant & General Fund	FY 2020	FY 2021	Total
	\$33.2	\$4.9	\$38.1
Workforce Development CARES Grant & General Fund	FY 2020	FY 2021	Total
	\$10	\$65	\$75

Budget Equity Tool

Accomplishments from FY 2020 Budget Equity Tool

1. Formed a **Department Equity Action Team** to complete Department Equity Assessment and 2-Year Equity Action Plan
1. Advocated to embed equity in **San Antonio Economic Development Foundation Strategic Plan**
3. Created a **Diversity Action Plan Procurement Guide**

Strengths in FY 2021 Budget Equity Commitments

1. Embed equity in the COVID-19 Recovery and Resiliency Plan:
 - Use **Equity Atlas** in door-to-door engagement efforts
 - Set **aspirational goals** for workforce training and small business support based on race, gender, and income
 - Use **Equity criteria** in scoring grant applications for microbusinesses and non-profits
2. Investment in **contracting disparity study** to provide a continued solid legal premise for an inclusive M/WBE contracting program

Small Business – Disparity Study

Required by SBEDA ordinance to issue a solicitation by end of 2020 for new disparity study.

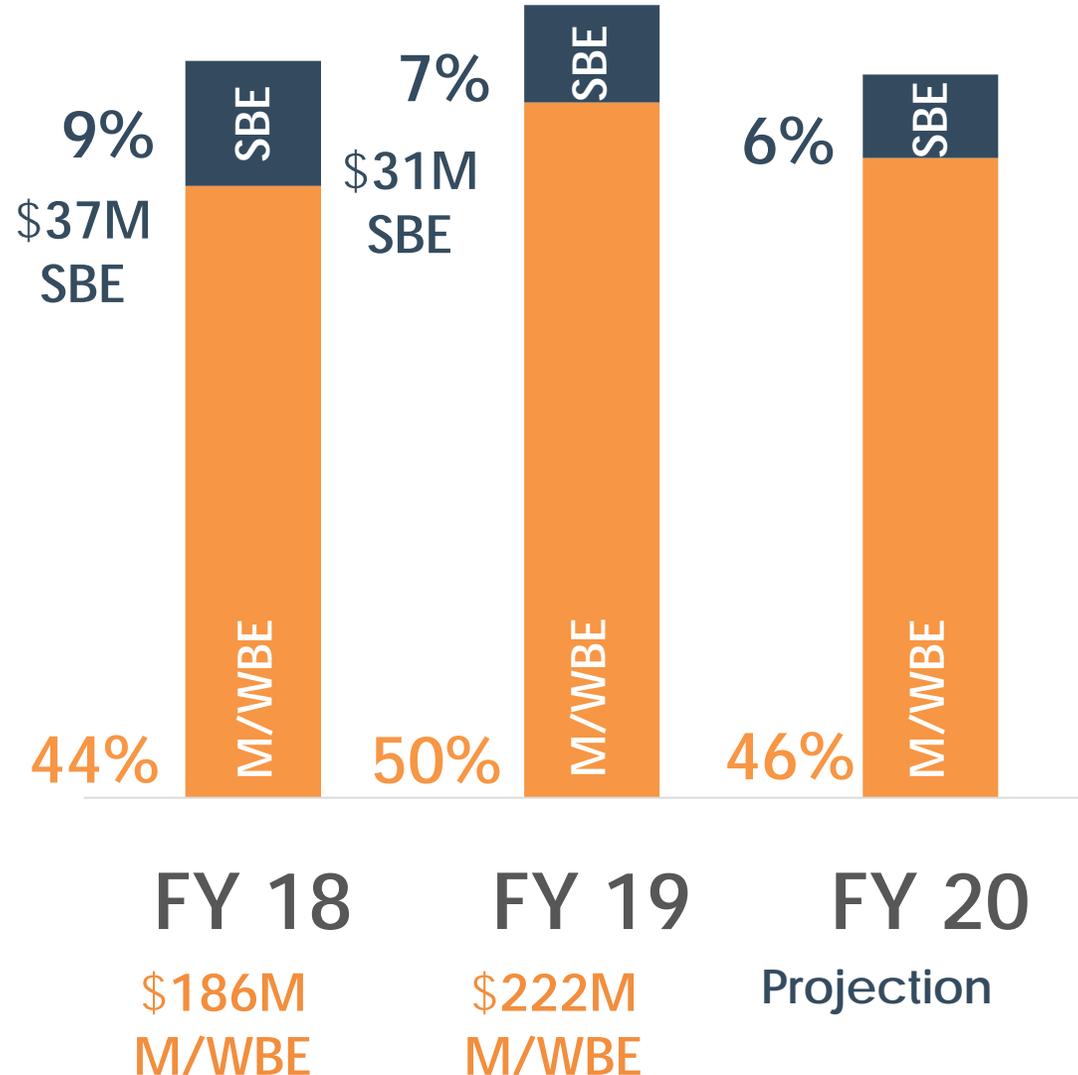
FY 21 Mandate:
\$800,000



Small Business - SBEDA

- Small Business Economic Development Advocacy Program
 - Promote economic inclusion through City contracts

2012
13%
 M/WBE



Small Business – Support Services

Development Fee Waivers

- Up to \$25,000 in development fee waivers
- **FY21 - \$250,000**
(SAWS only)

LiftFund

- 0% interest loans to small businesses
- **FY21 - \$250,000**

LaunchSA

- Free Entrepreneurial Resource Center
- **FY21 - \$160,000**

Economic Development Organizations

Facilitate small business development in traditionally underserved areas through programmatic support and access to capital



Small Business – Recovery & Resiliency



City of San Antonio
Recovery & Resiliency
Conquering Today's Challenges For A Stronger Tomorrow.

	Micro Business/Non-Profits Grants	\$27 million
	Door-to-door engagement	\$1.3 million
	Virtual & Place-Based Financial Recovery and Resiliency Hubs	\$200 K
	Protective Equipment & Sanitizer to local businesses/Non-Profits	\$2 million
	On-the-job training support for small businesses	\$5 million
	Artist and Arts Non-Profit Organization Grant	\$2.6 million

Workforce - Recovery & Resiliency



City of San Antonio
Recovery & Resiliency
Conquering Today's Challenges For A Stronger Tomorrow.

Workforce Development Pillar

Up to 10,000 residents served by September 2021

Subsidized job training and certifications for demand occupations

Intake, assessment, referral and case management

Training Stipends \$450 per week while in training

Implemented through various partners

\$75M Budget

Workforce Initiative

Milestone	Estimate Timeframe
Target population engagement	Sept 2020 - Jan 2021
Trade organization engagement (on-the-job training and apprenticeships)	Oct 2020 – Jan 2021
Status update to Economic and Workforce Development Committee	Oct 2020
Business engagement (direct and via chambers of commerce and business organizations*)	Nov 2020 - Jan 2021
Training provider engagement*	Nov 2020 - Jan 2021
Status update to Economic and Workforce Development Committee*	Dec 2020
City Council briefing on program policy development and implementation status**	Jan/Feb 2021
City Council approval of program policy	Apr 2021
City Council approval of program implementation plan and budget	Jun 2021
Program launch	Fall 2021

*If proposition is approved by voters. Periodic status updated to EWDC beginning spring 2021.

**Additional stakeholder engagement activities will be conducted to solicit feedback and inform the program implementation plan, as needed.

Workforce – Delegate Agencies



FY21 - \$101,906

+

\$160,000

Recovery Plan



FY21 - \$157,533

+

\$280,000

Recovery Plan



FY21 - \$1.5M

+

Approx. \$5.5M

Recovery Plan

Not including stipends

Workforce – AlamoPROMISE

- Supports last-dollar scholarships
- FY 2020 – Establish Program
- FY 2021 (Projection) – 7,280 Promise Scholars

FY 2021:
\$1,141,593



Industry Development

Economic Development Incentive Fund - FY20 Allocations

- SAEDF Partnership - \$500,000
- Grants
 - FGF Bakery - \$500,000
 - Navistar - \$750,000

FY 2021 EDIF Reduction:
\$1.6M



Industry Development – FY21



No Cash Incentives

- Coordination on City services
- State Incentives

Tax Abatement Guidelines

- Public Engagement
- EWDC and Council Consideration

SA Economic Development Foundation

Contract Scope

- Business Recruitment and Retention - \$500k
- Workforce Development (SA Works) - \$200k
- International Business Development - \$135k

Economic Inclusion

- Increase race/ethnicity and gender diversity
- Increase small business representation
- Equity in participation and representation of interest of businesses owned by women and people of color

International

- Hybrid of virtual & in person engagement tactics
- Virtual Prospecting and Investment Missions
- Export Support



Summary



Small Business

- SBEDA
- Launch SA
- No Interest Loans
- SAWS Fee Waivers

Workforce

- Alamo Promise
- Project Quest
- Delegate Agencies

Industry

- Project Support
- Tax Abatement Policy
- SAEDF

International

- Virtual Engagement Strategies



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