

CITY OF SAN ANTONIO
ECONOMIC DEVELOPMENT DEPARTMENT
SMALL BUSINESS ADVOCACY COMMITTEE (SBAC)
November 20, 2020
10:00 am

Call to Order and Pledge of Allegiance:

The meeting was called to order at 10:01 a.m. The Pledge of Allegiance was recited, roll call was taken, and a quorum was established. Economic Development staff present included, Mr. Michael Sindon, Assistant Director; Ms. Samantha Diaz, Interim EDD Coordinator; Ms. Ann Eaton, EDD Manager; Ms. Amy Contreras, EDD Manager. Additional City staff present included, Ms. Christina Ramirez, City Attorney's Office.

Roll Call:

Siew Pang, District 1	Present	District 6	Vacant
Jade McCullough, District 2	Present	Irene Chavez, District 7	Present
District 3	Vacant	Donovon Rodriguez, District 8	Present
Juanita Sepulveda, District 4, Chair	Present	Steven Gonzales, District 9	Present
Veronica Morales, District 5	Present	Roy Schaufele, District 10	Present
Melanie Tawil	Present		

PUBLIC COMMENT: There were no citizens signed up to speak.

1. Meeting Minutes

Discussion and action to approve the minutes from the October 16, 2020 SBAC meeting. Mr. Gonzales called for a motion to approve the meeting minutes. Ms. Pang seconded the approval. Mr. Schaufele, Mr. Rodriguez, Ms. Morales, Ms. Sepulveda, and Ms. Chavez all voted in opposition of the meeting minutes being passed, resulting in a failed motion. They asked for meeting minutes to be reviewed further. Mr. Sindon requested feedback to understand the committee's concerns over the meeting minutes. Mr. Rodriguez stated that there was a request to meet with the Alex Lopez, EDD Director, and Carlos Contreras, Assistant City Manager, and since the meeting was not held, the committee does not support the motion to approve the meeting minutes as presented.

2. Individual Items

Briefing and discussion on upcoming 2023 SBEDA Disparity Study Request for Proposal – Presentation made by Mr. Michael Sindon, Economic Development, Assistant Director

Mr. Michael Sindon reviewed the 2023 SBEDA Disparity study solicitation. The purpose of the SBEDA program is to promote the use of local small, minority, and women-owned businesses on City contracts to cure documented racial and gender disparities. The program applied to a vast majority of City

solicitations and funding/developer agreements over \$50,000 to help cure disparity. The SBEDA program applies throughout all industries (construction, architecture and engineering, professional services, other services, and goods and supplies) to assist local small, minority and women-owned business enterprises (S/M/WBE's) in the marketplace with more access to City contract opportunities.

Mr. Sindon reviewed the SBEDA program history beginning in 1988 to date. The first ever disparity study was implemented in 1992 and per the results, the City decided to establish a SBEDA program to address the issues. The changes made to the SBEDA program in 2010 from the City's second disparity study, due to the lack of substantial progress, resulted in a general overhaul of the program. In 2015 after the City's third disparity study, additional amendments were made to the SBEDA program such as adding self-performance of S/M/WBE prime contractors. Based on data from the 2019 Annual Report data, the City feels confident that the next disparity study to be conducted in 2021-23 will show great improvements due to new trends and the international recognition the City has received.

Mr. Sindon reviewed the overall purpose of the disparity study, which is to compile and evaluate disparity related evidence. He referenced the Richmond v. Croson Supreme Court case in 1989 that sets the legal predicate of minority and women-owned public contracting programs, that stated: 1) companies must have statistical evidence of disparities in the market area, 2) anecdotal evidence of barriers to full and fair inclusion must exist, and 3) that remedies must be "narrowly tailored to that evidence. This disparity study must be conducted every five to seven years to reevaluate all factors. Mr. Sindon then reviewed the scope overview and deliverables of the Request of Proposals, which include: 1) evaluating the City of San Antonio contracting data from years 2014 to 2020, 2) evaluating other various public and private sector data, and 3) researching if disparities exist for different business ownership ethnic and gender categories. Deliverables included: defining the relevant marketplace within which to conduct the study, calculating custom availability of minority and women-owned businesses that are ready, willing and able to do business with the City of San Antonio, and analyzing minority and women-owned business utilization on City contracts, among other deliverables.

Mr. Sindon reviewed the procurement process and the solicitation timeline beginning October 2020 and to be roughly concluding in mid-June 2021. Ms. Chavez asked Mr. Sindon to describe to the committee what the City's expectations will be from them and how work intensive things will be once the consultant is chosen. Mr. Sindon stated that once the consultant is selected, historically, a sub-committee has been formed within SBAC which meets separately. Meetings are held as needed to make sure the consultant is doing what is needed and progressing on schedule. The Chair of that subcommittee would report back to SBAC monthly. Ms. Chavez reiterated that during the last study, one thing she remembered was a question as to why they weren't looking for disparities, particularly in the LGBTQ and veteran communities. Also, she wanted to see a follow up to the committee with a synopsis of those recommendations from the past disparity study. She recommended possibly creating a 2 pager with recommendations that had been implemented or that were recommended, and maybe were not able to be fully implemented in years past. Mr. Sindon stated the department can start developing summary documents for the committee. EDD will try to elaborate about race neutral and race conscious. They will also work to provide more information regarding LGBTQ after conducting more research with the City Attorney's Office.

Mr. Roy Schaufele asked for clarification on the choosing of the consultant and if the committees' recommendations will also be used as criteria when choosing the consultant. Mr. Sindon replied by

stating that the goal is to get feedback on what the committee wants to see from a scope of work perspective and the advice given will be included in the disparity study. Also, as part of the procurement process, there is a goal to utilize local minority, women-owned businesses.

3. Briefing and discussion on the LiftFund Loan Interest Buydown Program – Presentation made by Ms. Ann Eaton, Economic Development, EDD Manager

Ms. Eaton provided background information about Liftfund and their overall San Antonio track record, which highlighted over 4,500 clients being served. Specifically, the Loan Interest Buydown program helps small minority, women-owned businesses start or expand a business, as well as purchase property, inventory, equipment, or improve their location. The City of San Antonio contributes \$250,000 toward this program annually. Ms. Eaton reviewed the loans distributed by council district, as well as FY2020 outcomes. The economic impact reflects that for every \$1 LiftFund lends in San Antonio, \$11 is generated in economic activity by borrowers. COVID-19 provided challenges this year affecting the numbers of loan goals not being met. FY21 improvements will include increased targeted marketing strategies, amended geographic focus to combined equity score, and criteria that businesses cannot have more than 1 loan within a 3-year period. Success stories were shared with the committee including, Peggy Charlet Brimhall of Figurd and Susan Janeth Gomez-Maldonado of Fiesta Couture. These two businesses received loans for working capital.

Ms. Chavez recommended to highlight the program participants in each council district to include in a newsletter as a possible marketing effort. Mr. Sindon stated the City asks for testimonials annually and will work on all the districts as well. Ms. Veronica Morales thanked LiftFund as she is a recipient to their program. Ms. Eaton took a moment to thank Alma with LiftFund for going above and beyond daily working with applicants. An updated flyer is in the works and will be shared with the committee from LiftFund. Mr. Rodriguez detailed that he is working with SAWS to recommend new legislation that would protect recipients of funding. Mr. Rodriguez asked if businesses that have received funding through Liftfund are subject to open records requests. Alma stated that the list of borrows is not shared publicly but it is shared with the City. Mr. Sindon stated that anything submitted to the City is open to public record. Ms. Eaton stated that the City has contact information for everyone that applied for a grant where the city can reach out to them if needed, while still respecting their privacy. Ms. Christina Ramirez, with the City Attorney's Office, confirmed that any aggregated data given to the City that's been reported would be subject to open records request, however, as stated by Ms. Eaton and Ms. Valdez, it would be at a high level of business information, and not include personal information. Mr. Rodriguez stated that the concern is that if a business has signed up and now their information is available to the public, then it could leave them open to predatory real estate practices, or somebody trying to wholesale their property.

4. Annual SBAC Chair & Vice Chair Election

Mr. Sindon informed that the SBAC bylaws state November is the month for chair and vice chair elections. Ms. Ramirez opened the floor for Chair nominations. Mr. Schauffele nominated Ms. Juanita Sepulveda for Chair. Mr. Rodriguez seconded the nomination. Mr. Schauffele moved to close the nominations for Chair, seconded by Mr. Rodriguez. Mr. Sindon asked for all those that support the nomination. The entire committee was in support, none were opposed. Nominations for vice-chair were open. Mr. Rodriguez nominated Ms. Irene Chavez, seconded by Ms. Morales. Ms. Tawil moved to close nominations, seconded by Ms. McCullough. The entire committee was in support of the nomination, none were opposed. Ms. Sepulveda thanked the committee.

5. Reschedule the SBAC December 18, 2020 meeting discussion

Mr. Sindon addressed the concerns about hosting the December meeting so close to the holidays. A suggestion was made to either move the meeting up sooner or postpone the meeting until January. The proposed agenda item is an update on the Mentor Protégé Program. A Doodle Poll will be created by EDD to gather availability for the meeting date and time.

6. Staff Updates and Board Member Comments

Hosted by the Small Business Administration: Facebook Advertising for Small Businesses. Monday, November 23, 2020 | 12:00-1:30 p.m. | During this webinar you'll learn about the different ad types on Facebook, what boosting a post means and how that differs from campaigns, how to create your target audiences and learn what metrics you should look at to see if it's effective.

<https://www.sba.gov/events/1676774>

Hosted by LaunchSA: Getting Your Site Online- WordPress (Launch Online Series) December 1, 2020 | 1:30-3:30 p.m. | Session of the Launch Online series for Small Businesses looking to move or grow operations in the digital space. In this session you will learn about the basics necessary to get started building a WordPress Site. <https://launchsa.org/event/getting-your-site-online-wordpress-launch-online-series-7/>

Hosted by LiftFund. Financial Friday: The Power of 5-5 Professional for Every Business Owner. Friday, December 4, 2020 | 10:00 a.m. | Join Christopher Hall and the Women's Business Center for Financial Friday series on how to surround yourself with professionals that enable you to focus your attention on your business. <https://www.eventbrite.com/e/financial-friday-the-power-of-5-5-professionals-for-every-business-owner-tickets-122081524125>

Hosted by Bexar County & UTSA: 20th Annual Bexar County SMWVBO Conference. Connecting Small Businesses with Buyers and Resources. | December 9-11, 2020 | 8:00 a.m.- 5:00 p.m. | <https://www.bexar.org/130/Conference>

PENDING AGENDA ITEMS & COMMITTEE DISCUSSION

Pending Agenda items:

Mr. Rodriguez asked to add to the next agenda a briefing on the small business commission. This will be pending the meeting with EDD Director and Assistant City Manager. Mr. Sindon recommended moving this agenda item to January, since the Mentor Protégé Graduation may be better suited as a standalone item. Mr. Rodriguez counter recommended and stated that the Mentor Protégé Graduation should be a special December meeting and that SBAC should still meet later in December to discuss regular business. Ms. Chavez agreed and stated the discussion should be continued more at length.

Committee open discussion was brought to the table by the Chair. Ms. Chavez addressed the issue of the disparity subcommittee creation and what the process is and asked if there is a report or update regarding issues to contract compliance over the last 2 years as we move into 2021. Ms. Ramirez stated she would review past processes and relay information back to the committee. Mr. Sindon stated that compliance issues can be put in a future agenda. Ms. McCullough addressed the committee and shared

her agreeance with things that were addressed.

Adjournment

The SBAC Chair entertained a motion to adjourn. Ms. Chavez, moved, seconded by Ms. McCullough
The meeting was adjourned at 11:35 a.m.