

**ECONOMIC AND WORKFORCE DEVELOPMENT
COUNCIL COMMITTEE MEETING MINUTES
WEDNESDAY, SEPTEMBER 2, 2020 10:00 AM
VIDEOCONFERENCE**

Members Present:	Councilmember Rebecca Viagran, <i>Chair, District 3</i> Councilmember Adriana Rocha Garcia, <i>District 4</i> Councilmember Shirley Gonzales, <i>District 5</i> Councilmember Melissa Cabello Havrda, <i>District 6</i> Councilmember Manny Pelaez, <i>District 8</i>
Staff Present:	Carlos J. Contreras, III, <i>Assistant City Manager</i> ; Katinka Howell, <i>Assistant City Attorney</i> ; Christina Ramirez, <i>Assistant City Attorney</i> ; Alejandra Lopez, <i>Director, Economic Development Department</i> ; Michael Sindon, <i>Assistant Director, Economic Development Department</i> ; Jessica Dovalina, <i>Assistant Director, Department of Human Services</i> ; Diana Hidalgo, <i>Cultural Affairs Administrator, Department of the Arts</i> ; Nancy Cano, <i>Office of the City Clerk</i>
Others Present:	Celina Pena, <i>Chief of Advancement, Lift Fund</i>

Call to Order

Chairwoman Viagran called the meeting to order.

Public Comment

None.

1. Update on the COVID-19 Community Recovery and Resiliency Plan regarding the Small Business Support and Workforce Development Pillars [Carlos J. Contreras, III, Assistant City Manager; Alejandra Lopez, Director, Economic Development]

Alejandra Lopez reported that a total of 2,758 applications were received for \$24.7 million in micro business grant funds, as follows: Self-employed: 760 applications; 1-5 Employees: 1,028 applications; 6-10 Employees: 528 applications; and 11-20 Employees: 437 applications. She added that 5 applications were pending confirmation.

Ms. Lopez presented an itemized breakdown of the applications by gender, race/ethnicity and industry as follows:

- Gender: 43.8% women-owned; 54.6% men-owned, 1.6% unknown
- Race/Ethnicity: 47.2% Hispanic, 7.7% African American, 13.4% Asian
- Industry: Service: 23.7%, Food Service: 14%, Retail: 13.7%

Ms. Lopez reported that all submitted applications were reviewed in August 2020 for scoring and validated utilizing a matrix created by the City based on three factors: location and associated equity atlas combined score; ownership demographics; and access to other COVID-19 funding.

She added that the scoring process ensured grants were distributed to micro businesses in areas with high percentages of racial diversity that were most impacted by poverty. She noted that staff started their review of applications with the highest preliminary scores of 60 points and moved forward with validating and funding an initial batch of 500 grants and activated approximately \$15 million of the available \$24.7 million grant funds. She stated that businesses eligible for the first round of funding would be notified this week. She reported that an additional 208 grants would be recommended in the second round, with the remaining \$2 million in funds to be expended in a final third round in the coming weeks.

Ms. Lopez reported that 10% of the available funding grants would be awarded to 45 nonprofit organizations with application scores between 30 and 70 points that provided direct social services and small organizations that provided social safety net services, to include churches with demonstrated substantial losses due to COVID.

Ms. Lopez reported that the last category of funding was loan forgiveness to small businesses that accessed capital via the City's program with LiftFund for zero-interest loans. She stated that applicants would receive up to 10 months of payment forgiveness. She added that all grant award notifications and disbursements would be completed by September 30, 2020.

Diana Hidalgo provided an update on the \$600,000 in grant funding allocated for individual Artists. She stated that 143 applications were received and assigned scoring criteria that included a combined equity atlas for gender, race, LGBTQ plus status, veteran status, annual income, the percentage of their income that came from artistic activity, artistic portfolio submission, and proof of loss. She added that 112 grants in the amount of verified loss up to \$5,000 would be distributed by September 18, 2020.

Ms. Hidalgo reported that the total verified losses reported exceeded the \$600,000 in grant funding for individual Artists. She stated that the \$3,319 overage would be covered by using \$2,031 in donated funds raised by the Department of Arts and Culture in April 2020, and the remaining \$1,000 would be covered from nonprofit agency grants. She stated that grants to individual Artists would be distributed by September 18, 2020.

Ms. Hidalgo provided an update on the \$2.6 million allocated to Arts nonprofit grants. She stated that 47 applications met the scoring criteria and were eligible for grants that would be distributed by September 30, 2020.

Ms. Lopez provided an update on the Workforce Development Program. She stated that a vast majority of program milestones were completed in August 2020 with the marketing campaign as the only item remaining to be finalized. She stated that the marketing plan would be performed in partnership with the Program's primary partner, Workforce Solutions Alamo (WSA). She stated that the target populations consisted of many residents that already faced multiple barriers prior to COVID-19, such as residents from high census tracts, persons of color, women, veterans, formerly incarcerated residents, disabled residents, homeless residents, seniors, and those living in poverty. She stated that marketing strategy initiatives would include social media, door-to-door outreach, bus shelters, bus benches, and billboard advertising. She added that marketing outreach would also be made to community organizations and churches.

Ms. Lopez provided an overview of the enrollment process. She reported that intake began by calling 3-1-1 or Workforce Solutions Alamo (WSA) at (210) 224-HELP; thereafter, an assessment and referral to the most appropriate opportunities would be completed and participants would be enrolled in a training program and receive case management support to facilitate program completion. She stated that four main training categories were available:

- High School: Equivalency preparation
- Short-Term: Nursing Aid, CompTIA A+
- Long Term: Medical Billing and Coding, HVAC
- On-The-Job: Machine Operator, Trades

Ms. Lopez reported that participants would receive wrap around case management services: Support stipends, child care, rental assistance, United Way assistance, San Antonio Area Foundation (SAAF) assistance, and job placement assistance.

Chairwoman Viagran emphasized the importance of case management services that would provide participant feedback and identify any improvements needed in the areas of intake, assessment, enrollment, and training. She recommended that focus groups be formed.

Chairwoman Viagran requested an itemized breakdown of the 47 applicants that were eligible for Arts Non-Profit grants.

Councilmember Gonzales noted that nonprofit youth organizations could be funded. She noted work with youths could continue in small pods. Assistant City Manager Carlos Contreras stated that staff could review microbusiness grant programs unrelated to the Arts to focus on funding individual youth services.

Councilmember Cabello Havrda requested a summary chart of all the businesses that were granted economic incentives. She requested more outreach to small businesses to create stronger relationships with small business owners and gain more of their trust. She encouraged the use of more innovative methods for outreach. She requested a follow up meeting with Ms. Lopez and Assistant City Manager Contreras to further discuss. Ms. Lopez stated that extensive monitoring was in place for all businesses that received incentives and were contracted with the City to provide on-the-job (OJT) training, short-term, or long-term training. She added that the same tracking would be implemented for small business grants. Assistant City Manager Contreras stated that an itemized report would be provided at a future Committee meeting.

Councilmember Rocha Garcia noted that the Workforce Development Marketing Plan did not include TV advertising. She recommended that staff create brief public service announcements and engage with TV stations for airing. She suggested that staff collaborate with Metro Health on its recent mass COVID-19 marketing campaign efforts for feedback on their most effective outreach methods. She requested quarterly status reporting on grant funding disbursements. She asked if a Train-the-Trainer Program was included in the OJT training. She requested an inventory list of businesses that applied for micro business grants by Council District so that future outreach could be made to local small business that did not apply for grants. She recommended that a primary funding focus be placed on youth service organizations, followed by a focus on entities that served the elderly community. She recommended that preference points be given to organizations that served children with special needs, learning disabilities, or physical disabilities.

Assistant City Manager Contreras replied that staff would continue to provide monthly updates to the Committee. He clarified that funds allocated to the Small Business Support and Workforce Development Pillars from the City's General Fund could not be shifted to other efforts or departments outside of the Pillars without the approval of City Council. Ms. Lopez confirmed that Train-the-Trainer Program was implemented in the Workforce Training Program.

Councilmember Pelaez asked if individuals who received emergency assistance were targeted for workforce training. Assistant City Manager Carlos Contreras stated that staff was partnering with the Neighborhood & Housing Services Department to target the list of individuals who received emergency housing assistance for workforce training.

Chairwoman Viagran agreed that a priority focus for nonprofit funding should be placed on youth service organizations and organizations that provided services for seniors. She requested an itemized detail of microbusiness grants distributed by Council District that further identified the specific types of businesses or services performed. She asked what information and instruction was provided to 3-1-1 Operators for workforce training inquiries. Michael Sindon stated that the primary goal was for 3-1-1 Operators to facilitate a handoff of workforce training calls to WSA. He added that a tracker was in place to make sure such referrals did take place and if calls were dropped, staff had the ability to reconnect with the caller to facilitate the intake process.

2. This item provides an update on public engagement processes, including the plan to collect feedback for the SBEDA Significant Business Presence policy, the Workforce Ballot Initiative, the COVID-19 workforce Recovery Plan, and updates to the Tax Abatement Guidelines [Carlos J. Contreras, III, Assistant City Manager; Alejandra Lopez, Director, Economic Development]

Ms. Lopez reported that the Economic Development Department (EDD) conducted public engagement activities routinely and ad hoc. She stated that EDD was currently planning three different public engagement campaigns for three different programs within its department: The SBEDA Business Presence Policy, the Workforce Recovery Plan, and Tax Abatement Guidelines.

Ms. Lopez stated that the purpose of the SBEDA program was to address disparities in City contracting by promoting the use of local small minority and women-owned businesses on contracting opportunities with the City. She added that the purpose of public engagement was to solicit feedback regarding the eligibility criteria within the SBEDA Ordinance. She noted that currently, the SBEDA Ordinance allowed for small minority and women-owned businesses that were not headquartered within the Metropolitan Statistical Area (MSA) to still receive preference through the Program if they could demonstrate that they had a significant business presence in the San Antonio metropolitan area. She stated that the marketing campaign sought engagement and feedback from business owners, Chambers of Commerce, business organizations, Trade and Labor organizations, and those interested in City contract work.

Ms. Lopez reported that the SBEDA engagement campaign was currently underway. She stated that an electronic survey was distributed to every vendor in the City's vendor registry and to an additional business data set that included over 18,000 email addresses of different businesses throughout the community. She added that staff would also conduct three focus groups. She

noted that feedback from the engagement campaign would be shared with the Small Business Advocacy Committee in September 2020 and presented to the Committee in October 2020. She added that the feedback would inform EDD of any recommended changes to the SBEDA Ordinance to be reviewed by the Committee and forwarded to City Council for approval.

Ms. Lopez reported that purpose of the Workforce Recovery Plan engagement campaign was to obtain feedback from various stakeholders on how the program was working and if any improvements were needed. She stated that the marketing campaign sought engagement and feedback from program participants, employers, Chambers of Commerce, Trade and Labor organizations, workforce and social service nonprofit organizations, and training providers. She added that staff would also launch various survey and focus groups in September 2020. She stated that feedback from the surveys and focus groups would be incorporated into the contract extensions with workforce partners and feedback received would be presented to the Committee in November 2020.

Ms. Lopez reported that the Tax Abatement Guidelines engagement campaign was associated with the City's Tax Abatement Policy which was created to attract companies, increase private investment in the community, create jobs, and help local companies grow. She added that the purpose of public engagement was to solicit feedback from stakeholders regarding potential guideline updates that would further promote equitable economic development. She stated that the marketing campaign sought feedback and engagement from residents, employers, business owners, Trade and Labor organizations, and business organizations. She added that staff would circulate surveys in English and Spanish and would host virtual meetings and presentations with stakeholders. She added that that feedback from the survey and stakeholder meetings would be presented to the Committee in November 2020; thereafter any recommended changes to the Tax Abatement Policy Guidelines would be forwarded to City Council for approval in December 2020, and new Tax Abatement Policy Guidelines would be published and implemented in January 2021.

Chairwoman Viagran requested a review of the practices of other cities and metropolitan areas for any tax abatement policy updates that may have been implemented post-COVID-19. She requested that staff obtain feedback from all City Council members on the Tax Abatement Policy.

Councilmember Rocha Garcia requested status on an earlier Council Consideration Request (CCR) that she brought forward pre-COVID-19 that proposed the formation of a Small Business Advisory Council. Ms. Lopez reported that an earlier FY 2020 EDD marketing campaign that promoted small business was actually based on Councilmember Rocha Garcia's proposed CCR. She stated that she would provide the feedback received from that campaign.

Councilmember Gonzales noted that many industries formed their own associations, such as neighborhood associations and lawyers organizations. She noted that there were many methods of communication due to technology and social media, but the most effective method was still face-to-face, which was not possible during COVID-19. She asked if staff could find better, more innovative ways to connect with small business owners and she agreed with the formation of a Small Business Advisory Council.

Chairwoman Viagran requested that staff follow up with each Councilmember and review the listing of small business applications received per Council District to discuss further outreach in identified areas in need of increased economic development. She requested that marketing survey results be presented to the Committee for review, once completed. She requested that work be continued on Councilmember Rocha Garcia's CCR for the formation of a Small Business Advisory Council. She stated that paid leave issues were discussed prior to COVID-19 and requested that work be continued on paid leave.

Adjournment