



City of San Antonio

Agenda Memorandum

File Number:15-5751

Agenda Item Number: 21.

Agenda Date: 11/19/2015

In Control: City Council A Session

DEPARTMENT: Economic Development

DEPARTMENT HEAD: Rene Dominguez

COUNCIL DISTRICTS IMPACTED: City-wide

SUBJECT:

SBEDA Ordinance Amendment

SUMMARY:

To accommodate the consideration of the Disparity Causation Analysis Study (Disparity Study) and possible revisions to the Small Business Economic Development Advocacy (SBEDA) Ordinance, an amendment to the SBEDA Ordinance sunset clause from November 30, 2015 to November 30, 2016 is necessary for the City to continue operation of the SBEDA Program.

BACKGROUND INFORMATION:

On June 16, 2010, City Council adopted Ordinance No. 2010-06-17-0531, which significantly revised the City's SBEDA Program. To prevent implementation of the SBEDA program beyond a reasonable reliable date range of the 2010 Disparity Study, the Ordinance includes a sunset clause of November 30, 2015. The SBEDA Ordinance also requires the completion of a Disparity Study update to evaluate whether barriers that may prevent minority and women-owned business enterprises (M/WBEs) from participating in City of San Antonio and private sector contracting opportunities still exist in our marketplace. Since 2011, the Economic Development Department has placed strong emphasis on the collection of accurate data to evaluate and analyze M/WBE spending patterns within a future Disparity Study.

Ordinance No. 2014-04-17-0244 adopted on April 17, 2014, authorized a contract with National Economic Research Associates, Inc. (NERA) to conduct a new Disparity Study, which will serve as evidence for the continuation or modification of the SBEDA Ordinance.

ISSUE:

Absent an amendment by City Council, the sunset clause contained in the SBEDA Ordinance will become effective on November 30, 2015. In such event, the City would not be able to utilize the variety of procurement incentives for small, minority, and women-owned businesses available through the SBEDA Ordinance.

This amendment of the SBEDA Ordinance will allow sufficient time for the collection of public comment regarding the new Disparity Study, tentatively scheduled for City Council consideration in early December 2015. It will also allow for thorough research and additional public comment regarding modifications to the SBEDA program, based on the new Disparity Study findings. City Council will consider these potential amendments to the SBEDA Ordinance in March 2016.

ALTERNATIVES:

In the event this amendment is not approved, the City will not be able to utilize the variety of tools set out in the SBEDA Ordinance to promote small, minority and women-owned businesses participation on City contracts. The SBEDA program would not be in effect until a revised SBEDA Ordinance is adopted by City Council.

FISCAL IMPACT:

This amendment to the SBEDA Ordinance has no fiscal impact to the City.

RECOMMENDATION:

Staff recommends approval of this ordinance amending the SBEDA Ordinance to extend the sunset date to November 30, 2016.