



City of San Antonio

Agenda Memorandum

File Number:20-4645

Agenda Item Number: 1.

Agenda Date: 8/11/2020

In Control: City Council Special Meeting

DEPARTMENT: Economic Development

DEPARTMENT HEAD: Alejandra Lopez

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Briefing on a proposed 1/8 cent sales tax ballot initiative to provide for workforce development and higher education under Chapter 379A of the Texas Local Government Code.

SUMMARY:

This item provides an additional briefing on a proposed 1/8 cent sales tax ballot initiative to provide for workforce development and higher education under Chapter 379A of the Texas Local Government Code. The City Council was originally brief on this item on August 5, 2020. This initiative would build on the COVID-19 Recovery and Resiliency Plan workforce development pillar that served as the immediate response to the assist San Antonio residents unemployed as a result of the COVID-19 pandemic. Building on this short-term intervention, the ballot initiative will continue the path to a strong, resilient economic recovery by investing in a combination of training and education programs that leads to a robust talent pipeline for high demand and high wage careers.

BACKGROUND INFORMATION:

Prior to the outbreak of the COVID-19 virus San Antonio experienced a relatively low unemployment rate, yet poverty rates in our community were among the highest in the country. Low post secondary educational attainment rates in San Antonio have resulted in a shortage of skilled workers and an abundance of lower wage, low skill jobs. The unprecedented economic impacts of COVID-19 on the San Antonio economy have resulted in an estimated 154,000 displaced workers, further compounding the various financial burdens faced by residents. Substantial, continued investment in workforce development and degree completion among our residents is critical to San Antonio's emergence from this public health and economic crisis as stronger and more resilient.

In July 2020, Mayor Nirenberg appointed a Workforce and Education Leadership Taskforce to reassess community workforce development priorities and identify the most effective strategies beyond the immediate crisis. This taskforce includes leaders from education, workforce development, asset-building, business, economic development, and philanthropy. Recommendations from this taskforce have informed the proposed program. This City Council received a preliminary briefing on the proposed initiative on August 5, 2020.

ISSUE:

Building on the immediate COVID 19 Recovery and Resiliency workforce development pillar creates an opportunity to further help residents by providing a comprehensive and holistic approach to workforce development and education training. The proposed initiative will include a two-pronged effort of workforce training certificates and higher education degree completion, both combined with wraparound support and emergency financial assistance. This four-year initiative is estimated to generate \$38.5 million annually through the 1/8 cent sales tax and will serve for up to 10,000 participants every year.

Participants pursuing either type of training will also receive wraparound case management services to help navigate barriers that may prevent training completion and support job placement post training and education completion. While case managers will assist participants in accessing available support services, participants will also have access to emergency financial assistance for unanticipated and immediate expenses. This type of emergency financial assistance will be available on a case-by-case basis, as needed by program participants.

This initiative will build on the existing infrastructure associated with this work, including both the long-standing and newly developed collaborations with workforce development community partners can be leveraged to facilitate implementation, including a rigorous evaluation component to understand the efficacy and impact of the program.

During the August 5, 2020 briefing on this initiative, City Council provided feedback and requested additional analysis and details on a variety of themes including governance and administration, program metrics, populations to be served and the inclusion of apprenticeships as training options. City Council also requested additional consideration of resident engagement, participant and partner completion expectations and industry partner participation. These themes will be addressed in further detail during this briefing.

ALTERNATIVES:

This item is for briefing purposes only.

FISCAL IMPACT:

This 1/8 cent sales tax initiative is projected to generate approximately \$38.5 annually.

RECOMMENDATION:

Staff recommends City Council consider during the August 13 City Council meeting ordering a special election for the proposed 1/8 cent sales tax ballot initiative to provide for workforce development and higher education under Chapter 379A of the Texas Local Government Code.