



City of San Antonio

Agenda Memorandum

File Number:20-6137

Agenda Item Number: 4.

Agenda Date: 10/22/2020

In Control: Economic and Workforce Development Committee

DEPARTMENT: Economic Development

DEPARTMENT HEAD: Alejandra Lopez

COUNCIL DISTRICTS IMPACTED: City-wide

SUBJECT:

Briefing and possible action on creation of a new Small Business Advisory Commission

SUMMARY:

Creation of a new Small Business Advisory Commission and renaming of the current Small Business Advocacy Committee (SBAC) to SBEDA Advisory Committee.

BACKGROUND INFORMATION:

The San Antonio economy includes more than 37,000 small businesses which represent approximately 97% of employment firms. Small businesses are a driving force within the local economy and their challenges and capacity for growth differs substantially from larger companies. The Economic Development Department addresses these challenges by implementing various programs and initiatives to assist prospective entrepreneurs and small business owners, especially those that are minority and women-owned. These programs and initiatives focus on technical assistance, mentoring, development fee waiver assistance, access to capital, and equal access to City contracts for the local small business community.

While the needs are great, the City of San Antonio currently does not have a general commission for small business owners to voice their opinions and policy recommendations outside of the Small Business Advocacy Committee (SBAC), which has a narrow and purposeful function. SBAC consists of eleven (11) district-

specific members appointed by the Mayor and City Council to advise them on the effectiveness of the SBEDA program, as well as recommend modifications the SBEDA Ordinance and procurement procedures to promote the participation of small, minority and women-owned businesses on City contracts. In recent years, SBAC was also given the responsibility to establish a subcommittee to oversee the implementations and outcomes associated with the Diversity Action Plan ordinance. The focus and leadership provide by the SBAC contributes to the effectiveness of the SBEDA program. However, an avenue through which small businesses can engage on upcoming policy issues is also valuable.

ISSUE:

On October 3, 2019, District 4 Councilwoman Adriana Rocha-Garcia submitted a Council Consideration Request (CCR) proposing the creation of a new Small Business Advisory Commission made up of eleven (11) members appointed by the Mayor and Council to advise on policy issues that may affect small businesses unrelated to the SBEDA Ordinance. The CCR suggests the commission comprise of small business owners to provide direct feedback regarding proposed policies that may impact small businesses differently than other sectors of the business community.

The CCR was presented to Governance Committee on November 14, 2019 for discussion and next steps. The Committee approved staff recommendation to engage local small business owners to review mechanisms to provide feedback and evaluate the potential creation of a new commission.

As a result, the Economic Development Department implemented a SASpeakUP Campaign that included a city-wide survey, presentation to community group members and an event to solicit feedback from small business owners and community organizations. The survey was conducted in English and Spanish and included questions to gauge a business owner's current level of engagement with the City, preferred method of communication, learn what policy issues impact small businesses and interest in creating a new small business commission.

A total of 1,350 businesses responded to the survey between January 13, 2020 to February 15, 2020, and approximately 250 participated in the small business event. The overwhelming majority of respondents (95%) believed that activities and policy matters approved by the City Council affect their small business, however nearly 80% of respondents have never provided feedback on policies, mainly because they were unaware of opportunities and methods to do so. Respondents supported the creation of a small business commission to provide feedback and advise on upcoming policy issues, they were interested in learning of the commission's activities, attending the commission's meetings and serving on the new commission.

Staff recommends the creation of a new Small Business Commission to include fifteen (15) at-large voting members selected through the application process of Boards and Commissions, interviews by the Economic and Workforce Development Committee and approval by the full City Council for 2-year terms limits.

To achieve the objective of receiving feedback and input across all small business community sectors, staff also recommends that Commission representation include:

- Two (2) business, professional and/or trade organizations
- Two (2) non-profit small business service provider organizations
- Four (4) small business owners with less than 10 employees
- Four (4) small business owners with 10 - 50 employees
- Three (3) small businesses representing target industries

FISCAL IMPACT:

This item does not have a fiscal impact.

RECOMMENDATION:

Staff recommends creation of a new Small Business Commission as an advisory board to review upcoming policies, regulations and issues affecting small businesses and provide recommendations to the Mayor and City Council. Staff also recommends renaming the current SBAC (Small Business Advocacy Committee) to SBEDA Advisory Board and continue the current responsibilities of under the SBEDA Ordinance.