



# City of San Antonio

## Agenda Memorandum

**File Number:**21-1492

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**Agenda Item Number:** 15.

**Agenda Date:** 2/18/2021

**In Control:** City Council A Session

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**DEPARTMENT:** Economic Development

**DEPARTMENT HEAD:** Alejandra Lopez

**COUNCIL DISTRICTS IMPACTED:** City-wide

### **SUBJECT:**

Establish a new Small Business Advisory Commission and rename the existing Small Business Advocacy Committee to the SBEDA Committee.

### **SUMMARY:**

This resolution approves the creation of a new 15-member Small Business Advisory Commission to review upcoming policies, regulations and issues affecting small businesses and provide recommendations to Mayor and City Council. In addition, this resolution approves the renaming of the Small Business Advocacy Committee to the Small Business Economic Development Advocacy (SBEDA) Committee.

### **BACKGROUND INFORMATION:**

The San Antonio economy includes more than 37,000 small businesses representing 97% of employment firms. Small businesses are a driving force within the local economy and their challenges differ substantially from larger companies. While the needs are great, the City of San Antonio does not have a commission for small business owners to voice their opinions and policy recommendations outside of the Small Business Advocacy Committee, which has a narrow and purposeful function to advise on the effectiveness and modification of the SBEDA Ordinance that promotes the participation of small, minority and women owned businesses on city contracts.

### **ISSUE:**

On October 3, 2019, District 4 Councilwoman Adriana Rocha-Garcia submitted a Council Consideration Request proposing the creation of a Small Business Advisory Commission made up of 11 small business

owners appointed by the Mayor and Council to provide feedback on proposed policies, outside the SBEDA Ordinance, that may impact small businesses. The Council Consideration Request was presented to the Governance Committee on November 14, 2019, where staff proposed a public engagement process to collect feedback from local small business owners on the potential creation of a new commission.

As a result, the Economic Development Department implemented a SASpeakUp Campaign that included a citywide survey, presentation to community group members, and an event to solicit feedback from the small business community. 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, and interest in creating a new Small Business Advisory Commission.

A total of 1,350 businesses responded to the survey between January 13, 2020 to February 15, 2020. Ninety-five percent of respondents believed that policy matters approved by 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 Advisory Commission and were interested in learning the commission's activities, as well as attending/serving on the commission. The Economic Development Department presented the SASpeakUp campaign results to the Small Business Advocacy Committee on October 16, 2020 and to the Economic and Workforce Development Committee on October 22, 2020.

This action will authorize the creation of a 15-member Small Business Advisory Commission, of which 11 positions will be Mayor and Council District specific appointments and four positions appointed at-large. All members, who must be approved by full City Council, shall apply through the Boards and Commissions process, of which Mayor and City Council will select their specific appointments and the remaining at-large members will be interviewed by the Economic and Workforce Development Committee. Each Commission member is to be appointed for a 2-year term for a maximum of 4 consecutive terms (8-year limit). The 15-member Commission will consist of at least one small business member/organization residing and/or operating within each of the ten Council Districts. In addition, the following distribution of commission seats is recommended, based on guidance within the original CCR and to promote a variety of small businesses represented:

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

To achieve the objective of receiving feedback and input across all small business community sectors, the Economic Development Department will support the new Small Business Advisory Commission. Additionally, for clarification purposes, the current Small Business Advocacy Committee will be renamed to the SBEDA Committee. The SBEDA Committee will maintain its current responsibilities under SBEDA Ordinance No. 2010-06-17-0531.

## **ALTERNATIVES:**

As an alternative, City Council could decide not to proceed with the creation of this Small Business Advisory Commission or renaming of the Small Business Advocacy Committee to the SBEDA Committee. The result would leave small business owners without a small business specific commission to voice their concerns on policy issues as requested through their survey responses.

**FISCAL IMPACT:**

This item does not have a fiscal impact.

**RECOMMENDATION:**

Staff recommends creation of a new Small Business Advisory Commission to review upcoming policies, regulations and issues affecting small businesses, outside of the SBEDA Ordinance, and provide recommendations to Mayor and City Council. Staff also recommends renaming the current Small Business Advocacy Committee to the SBEDA Committee and continue the current responsibilities defined within the SBEDA Ordinance.