

# PROPOSED FY 2021 OPERATING & CAPITAL BUDGET

Economic Development Department  
Budget Work Session  
August 19, 2020



Presented by: Alejandra Lopez, Economic Development Director

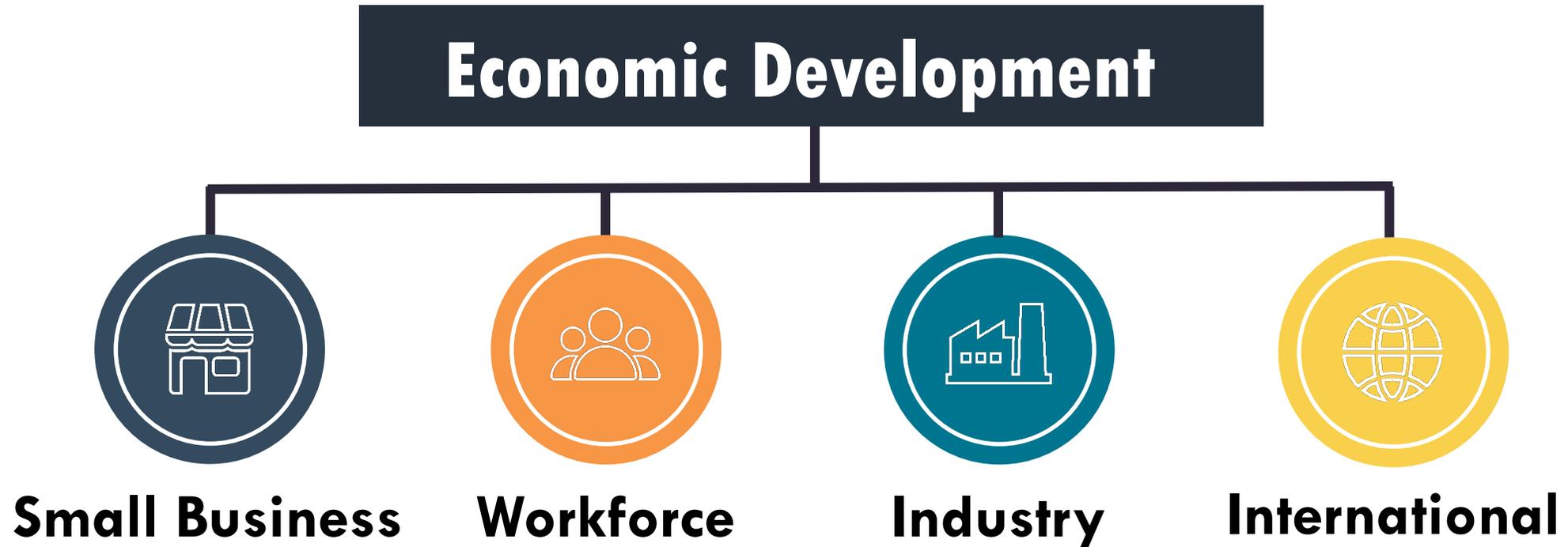


# Economic Development Purpose

- Foster economic growth through collaboration and innovation
- Promote equity through economic opportunity



# Department Overview



# FY 2021 Proposed Budget

Funds (\$ in Millions)	FY 2020	FY 2021	Change
<b>General Fund</b>	<b>\$9.6</b>	<b>\$10.6</b>	<b>\$1.0</b>
<b>General Fund Transfer to Economic Development Incentive Fund</b>	<b>\$2.2</b>	<b>\$0.55<sup>1</sup></b>	<b>(\$1.6)</b>
<b>Delegate Agencies</b>	<b>\$3.7</b>	<b>\$2.9</b>	<b>(\$0.8)</b>
<b>Total</b>	<b>\$15.5</b>	<b>\$14.1</b>	<b>(\$1.4)</b>
<b>Positions</b>	<b>38</b>	<b>38</b>	<b>0</b>

<sup>1</sup> City's Contribution to the Economic Development Foundation (\$500K) and Cybersecurity Agreement with the San Antonio Greater Chamber of Commerce (\$50K).

Recovery & Resiliency – Small Business CARES Grant & General Fund	FY 2020	FY 2021	Total
	<b>\$33.2</b>	<b>\$4.9</b>	<b>\$38.1</b>
Workforce Development CARES Grant & General Fund	FY 2020	FY 2021	Total
	<b>\$10</b>	<b>\$65</b>	<b>\$75</b>

# Budget Equity Tool

## Accomplishments from FY 2020 Budget Equity Tool

1. Formed a **Department Equity Action Team** to complete Department Equity Assessment and 2-Year Equity Action Plan
1. Advocated to embed equity in **San Antonio Economic Development Foundation Strategic Plan**
3. Created a **Diversity Action Plan Procurement Guide**

## Strengths in FY 2021 Budget Equity Commitments

1. Embed equity in the COVID-19 Recovery and Resiliency Plan:
  - Use **Equity Atlas** in door-to-door engagement efforts
  - Set **aspirational goals** for workforce training and small business support based on race, gender, and income
  - Use **Equity criteria** in scoring grant applications for microbusinesses and non-profits
2. Investment in **contracting disparity study** to provide a continued solid legal premise for an inclusive M/WBE contracting program

# Small Business – Disparity Study

Required by SBEDA ordinance to issue a solicitation by end of 2020 for new disparity study.

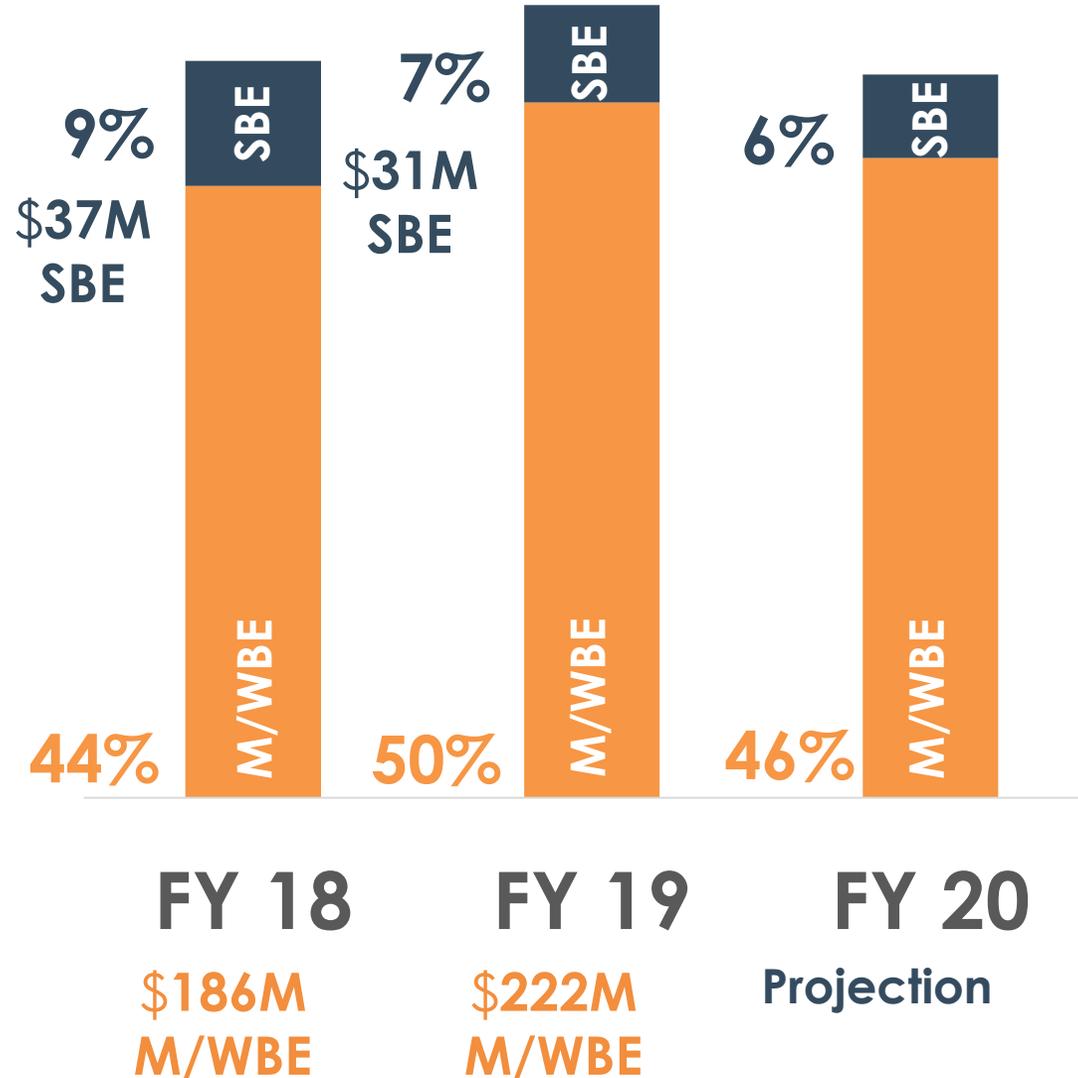
FY 21 Mandate:  
**\$800,000**



# Small Business - SBEDA

- Small Business Economic Development Advocacy Program
  - Promote economic inclusion through City contracts

2012  
**13%**  
 M/WBE



# Small Business – Support Services

## Development Fee Waivers

- Up to \$25,000 in development fee waivers
- **FY21 - \$250,000**  
(SAWS only)

## LiftFund

- 0% interest loans to small businesses
- **FY21 - \$250,000**

## LaunchSA

- Free Entrepreneurial Resource Center
- **FY21 - \$160,000**

# Economic Development Organizations

Facilitate small business development in traditionally underserved areas through programmatic support and access to capital



# Small Business – Recovery & Resiliency



City of San Antonio  
**Recovery & Resiliency**  
Conquering Today's Challenges For A Stronger Tomorrow.



**Micro Business/Non-Profits Grants**

**\$27 million**



**Door-to-door engagement**

**\$1.3 million**



**Virtual & Place-Based Financial Recovery  
and Resiliency Hubs**

**\$200 K**



**Protective Equipment & Sanitizer to local  
businesses/Non-Profits**

**\$2 million**



**On-the-job training support for small businesses**

**\$5 million**



**Artist and Arts Non-Profit  
Organization Grant**

**\$2.6 million**

# Workforce - Recovery & Resiliency



City of San Antonio  
**Recovery & Resiliency**  
Conquering Today's Challenges For A Stronger Tomorrow.

## Workforce Development Pillar

Up to 10,000 residents served by September 2021

Subsidized job training and certifications for demand occupations

Intake, assessment, referral and case management

Training Stipends \$450 per week while in training

Implemented through various partners

**\$75M Budget**

# Workforce Initiative

Milestone	Estimate Timeframe
Target population engagement	Sept 2020 - Jan 2021
Trade organization engagement (on-the-job training and apprenticeships)	Oct 2020 – Jan 2021
Status update to Economic and Workforce Development Committee	Oct 2020
Business engagement (direct and via chambers of commerce and business organizations*)	Nov 2020 - Jan 2021
Training provider engagement*	Nov 2020 - Jan 2021
Status update to Economic and Workforce Development Committee*	Dec 2020
City Council briefing on program policy development and implementation status**	Jan/Feb 2021
City Council approval of program policy	Apr 2021
City Council approval of program implementation plan and budget	Jun 2021
Program launch	Fall 2021

\*If proposition is approved by voters. Periodic status updated to EWDC beginning spring 2021.

\*\*Additional stakeholder engagement activities will be conducted to solicit feedback and inform the program implementation plan, as needed.

# Workforce – Delegate Agencies



**FY21 - \$101,906**

**+**

**\$160,000**

**Recovery Plan**



**FY21 - \$157,533**

**+**

**\$280,000**

**Recovery Plan**



**FY21 - \$1.5M**

**+**

**Approx. \$5.5M**

**Recovery Plan**

Not including stipends

# Workforce – AlamoPROMISE

- Supports last-dollar scholarships
- FY 2020 – Establish Program
- FY 2021 (Projection) – 7,280 Promise Scholars

FY 2021:  
**\$1,141,593**



# Industry Development

## Economic Development Incentive Fund - FY20 Allocations

- SAEDF Partnership - \$500,000
- Grants
  - FGF Bakery - \$500,000
  - Navistar - \$750,000

FY 2021 EDIF Reduction:  
**\$1.6M**



# Industry Development – FY21



## No Cash Incentives

- Coordination on City services
- State Incentives

## Tax Abatement Guidelines

- Public Engagement
- EWDC and Council Consideration

# SA Economic Development Foundation

## Contract Scope

- Business Recruitment and Retention - \$500k
- Workforce Development (SA Works) - \$200k
- International Business Development - \$135k

## Economic Inclusion

- Increase race/ethnicity and gender diversity
- Increase small business representation
- Equity in participation and representation of interest of businesses owned by women and people of color

# International

- Hybrid of virtual & in person engagement tactics
- Virtual Prospecting and Investment Missions
- Export Support



# Summary



## Small Business

- SBEDA
- Launch SA
- No Interest Loans
- SAWS Fee Waivers

## Workforce

- Alamo Promise
- Project Quest
- Delegate Agencies

## Industry

- Project Support
- Tax Abatement Policy
- SAEDF

## International

- Virtual Engagement Strategies



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