

Capacity Building & Bonding Assistance Program Update



Economic and Workforce Development Committee
October 22, 2024

Michael Sindon
Economic Development Administrator

Background



Purpose:

- Build the capacity of small, minority, woman-owned business (S/M/WBE) construction contractors and provide technical and financial assistance
- Established through the 2010 SBEDA Ordinance

Program Redesign:

- A workgroup was established that consisted of City staff and external small business stakeholders
- Recommendations included the establishment of a pool of funds to assist S/M/WBEs who incur costs related to bonding requirements





Partnerships and Program Administration

- City Council approved 2-year pilot with the San Antonio Economic Development Corporation (SAEDC) on June 23, 2022, to establish the Contractor Capacity & Bonding Assistance Program
 - Alamo Surety Bonds serves as program administrator
 - \$500k Revolving Loan Fund
 - \$100k for Administrative Services (\$50k per year)
- Amendment executed by the SAEDC on September 9, 2024, extending the program for one additional year at an additional \$50,000 in program administration services

Program Components



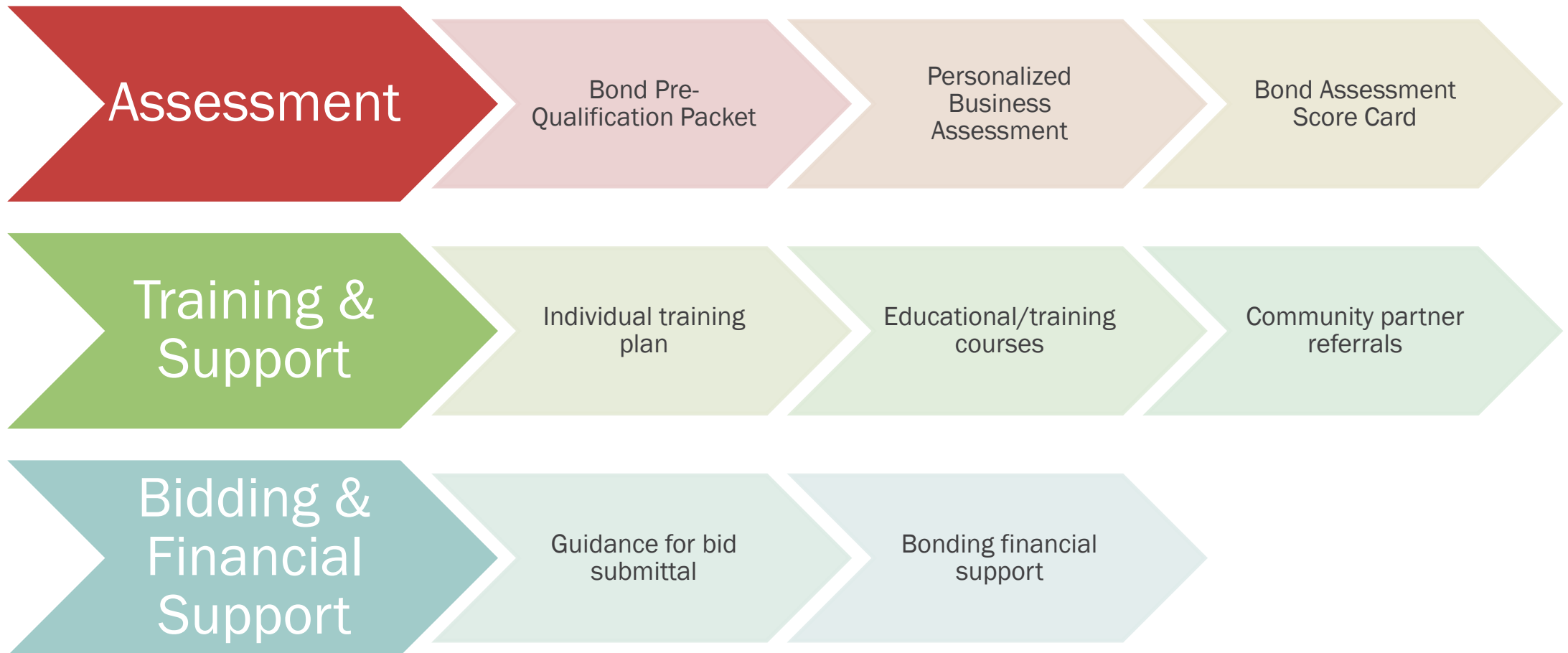
Scope of Services

Education	<ul style="list-style-type: none">- Identify curriculum- Education assessments
Guidance	<ul style="list-style-type: none">- One-on-one tailored assistance and referrals- Evaluate past bond applications
Financial Assistance	<ul style="list-style-type: none">- Manage \$500K of collateral pool- Protect Program resources
Marketing	<ul style="list-style-type: none">- Develop annual marketing plan- Conduct public presentations
Program Review	<ul style="list-style-type: none">- Recommend program improvements- Provide stakeholder and Council updates
Implementation, Budget, Metrics	<ul style="list-style-type: none">- Identify Program goals and measure metrics- Develop forms and policy and procedures

Eligibility and Metrics

- Eligibility:
 - Located in San Antonio
 - Classified as a small business per SBA
 - Work in the construction industry
- Metrics:
 - Serve 30 participants
 - Provide funding for 10 participants in need of assistance to cover costs related to City bonding requirements to bid on a City solicitation

Participant Process



Educational Courses



Understanding
Surety Bonds – An
Overview

The SBA Bond
Guarantee Program

Bonding City of San
Antonio Contracts

Bond Pre-
Qualification:
Packaging &
Presenting for
Success

Managing Personal
Credit

Proper Financial
Statement
Presentation

How to Complete the
Work on Hand
Schedule

Alternative Bond
Markets

Why Contractors Fail

Bonding
Subcontracts

Requesting Bonds



Pilot Program Accomplishments (October 2022 – August 2024)



24 participating firms

- 41 classes
- 91 consultation hours
- Increased participants bonding capacity by 561%
 - \$1.4M to \$9.3M
- 25 bids submitted
 - COSA – 3
 - Other Public Agencies – 22
- 5 awarded public contracts for a combined \$3.2M

Business Category	Aspirational Goal	Goal Attainment
Small Business	100%	100%
Emerging Small Business	50%	88%
Minority Business	75%	92%
African American Business	30%	13%
Asian American Business	15%	0%
Hispanic American Business	30%	75%
Woman Business	50%	38%
Veteran Business	5%	8%

Participant Testimonials



Proficient Constructors, LLC, is an Emerging Small, Minority, and Woman-owned business

- Alamo Surety Bonds provided training and assisted in the submission of her first company financial statement since before COVID
- Grew her bonding capacity from \$500,000 to \$1.5 M on a single bond, and \$2.5 M in aggregated bonds
- Awarded a prime contract for more than \$1.6 M for a project with Naval Facilities Engineering Systems Command in Corpus Christi
- Awarded a subcontract for more than \$800,000 for a project at Lackland Air Force Base for masonry work
- She was able to recently hire an experienced project manager



Iris Luna, Principal

Participant Testimonials



Christina and Jim Tafoya, Owners

Brio Builders, LLC, is an Emerging Small, Minority, and Woman-owned business

- They were unable to obtain any bonding capacity due to financial burdens for various reasons, including a prime contracting not paying them in a timely manner
- Alamo Surety Bonds provided training and assisted in the development and action plan regarding their credit report
- They were able to improve their credit score to get pre-approved for a bonding capacity of \$500k on a single bond
- Alamo Surety Bonds is now helping them pursue their public contracting opportunities

Program Next Steps



- Based on pilot results and participant feedback, scope amended to include:
 - Helping participants submit two bids monthly with San Antonio regional public agencies, with one bid specifically with COSA
 - Hosting quarterly workshops, in coordination with COSA, to share resources and opportunities
 - Facilitating participant referrals to additional small business resources



CAPACITY BUILDING & BONDING ASSISTANCE PROGRAM



Small Business Contractors in San Antonio

- **Maximize** your bonding capacity
- **Bid** on more City of San Antonio Contracts
- **Grow** your own business to the next level



CAPACITY BUILDING

- Education & training
- One-on-one technical assistance & guidance

BONDING ASSISTANCE

- Access to specialty bond markets
- Access to funds for city bond requirements

**GET IN THE GAME!
GET BONDED TODAY!**

For more information visit
www.sanantonio.gov/edd

City of San Antonio Capacity Building & Bonding Assistance Program
Jim Swindle, AFSB - Program Administrator | Alamo Surety Bonds

 (210) 930-5550  jim@alamobonds.com



SAEDC
SAN ANTONIO ECONOMIC
DEVELOPMENT CORPORATION

CITY OF SAN ANTONIO
ECONOMIC DEVELOPMENT
DEPARTMENT

Capacity Building & Bonding Assistance Program Update



Economic and Workforce Development Committee
October 22, 2024

Michael Sindon
Economic Development Administrator